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SALVADORAN DEPUTY MINISTER ON REGIONAL MEETING

PA272358 San Salvador Canal Doce Television in Spanish 0300 GMT 26 Jul 86

[Text] The foreign ministers of the Central American countries, except for Nicaragua, held a meeting behind closed doors at the Foreign Ministry today.

According to Salvadoran Deputy Foreign Minister Ricardo Acevedo Peralta, the meetings aim to reach a consensus on the resolution of the regional conflict. The Guatemalan, Honduran, Costa Rican, and Salvadoran foreign ministers met here today to discuss and seek points of political agreement that can lead to a consensus to achieve peace and democracy in all the Central American countries.

Deputy Foreign Minister Acevedo said although Nicaragua was not present, as usual it will be informed of the views and results of the meeting through the Foreign Ministry for its consideration.

Guatemalan Foreign Minister Mario Quinonez Amezquita attended the meeting. In this regard, Acevedo was asked if this means Guatemala has decided to join the Honduran, Costa Rican, and Salvadoran policy against Nicaragua, setting aside its position of nonintervention.

[Begin Acevedo recording] No, we do not believe this is so. The four democratic Central American countries are meeting to have a frank exchange of views on the steps that must be followed to achieve real peace and democracy in the area. [end recording]

Acevedo was also asked about the possibility that since Nicaragua was not invited to the meetings Central America could be divided in two, isolating Nicaragua from the other countries.

[Begin Acevedo recording] I think the four democratic Central American countries have much in common. We all believe in the region's autonomy and we all believe we must struggle for a real and pluralist democracy, where the governments are tolerant and where there is broad freedom of expression and of organization. We also believe there should be an economic system based on social justice that will definitely reject the oligarchic and [words indistinct] forms of economic domination, which in turn result in political domination. [end recording]

Acevedo also referred to the Contadora Group efforts and the support it has received:

[Begin recording] El Salvador has presented to the international community a very interesting document entitled the Contadora doctrine, which is an innovation in the structure of international law. In presenting the Contadora Doctrine, we have made the group's effort immortal. We believe the Contadora's Doctrine, the structure that makes the Contadora Group's document an instrument for political coexistence, should have a dominant place in the history of international law in Latin America. [end recording]

Acevedo added that even if the Contadora Group should disappear, the Contadora Group's peace act, which is the result of the group's efforts, is a document of enormous value for multilateral relations among all Central American countries.

ALFONSIN SEES NEW PHASE WITH BRAZIL POSSIBLE

PY270343 Buenos Aires TELAM in Spanish 2304 GMT 26 Jul 86

[Text] Buenos Aires, 26 Jul (TELAM) -- Argentine President Raul Alfonsin today said conditions are set for Brazil and Argentina to start a new phase in their bilateral relations. He termed the visit that Brazilian President Jose Sarney will pay to Argentina in the next few hours as one of great importance.

During an interview with journalists from three Brazilian television network at the presidential residence in Olivos, Alfonsin said that the competition between Brazil and Argentina must be ended, because one of the conditions for growth is joint action.

Referring to the integration between the two countries, Alfonsin said we have chosen some basic aspects such as capital assets and technology, and we wish to continue carrying out joint efforts in the aeronautics industry and nuclear development fields.

In this regard he stated that those aspects will mark the beginning of a new phase, which will place the two countries in a better position to avoid continued discrimination in foreign trade. Alfonsin said he believes that the two countries, in a certain way, have complementary economies and that current conditions show that through joint action, not only in Brazil and Argentina but will all countries, this phase will extend throughout Latin America. Alfonsin noted that the United States is a broad economic area but that it is integrated with Canada. The EEC is the type of joint action we must start in Latin America, probably in a different manner. We must not forget that in Europe the EEC began with something that had divided them, the European Coal and Steel Community.

In referring to the Argentine businessmen's stance regarding this type of agreement, the chief of state said that these possibilities are very welcome. Undoubtedly, these agreements will demand efficiency in certain aspects and there will be those who will protest, but in general terms, they are all in favor.

When he was asked whether there is any fear that Brazil may become a hegemonic influence in the Continent, Alfonsin answered that we do not believe that will happen. We believe that we must grow together. This is our belief and our philosophy.

Alfonsin asserted that the pressure exerted by the labor unions does not place the stability of the Austral plan in jeopardy. We have experienced tense moments and demands that are legitimate, but the Argentine people understand and are willing to make a true effort to overcome this crisis, which should be regarded not only as something negative, as frustration or defeat, but also as something that opens possibilities. We must know how to take advantage of this crisis, make our past mistakes stand out so that we may change our course and carry out firm decisions.

When he was asked about the stoppages and strikes, Alfonsin stated that they have not been too must of an obstacle for the country's development and reiterated that the Argentine people, in general, understand that the objective is to overcome the crisis with patriotism. President Alfonsin concluded by sending his warm greetings to the Brazilian people and stating that on this occasion we ar going to consolidate, through the two governments, the common bonds of the two countries.

OFFICIAL ON U.S. GRAIN SALES TO USSR, PRC, JAPAN

PY251612 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1420 GMT 24 Jul 86

[Text] Buenos Aires, 24 Jul (NA) -- Agriculture Under Secretary Fidel Braseras revealed today that here is "a certain sense of uneasiness in the government" because of the U.S. decision to sell grain at subsidized prices to the USSR, the PRC, and Japan, thus harming Argentine agricultural exports. Braseras admitted that the Argentine Foreign Ministry might raise a formal protest against the United States.

In statements to Radio Nacional this morning, Braseras said the U.S. decision to sell its grain surplus at subsidized prices to traditional Argentine clients "caused a deep uneasiness" in the government. "The only thing that can be done is to raise a formal protest through our Foreign Ministry."

The U.S. Senate has authorized the Reagan administration to subsidize U.S. agricultural exports to our "traditional customers," meaning the USSR, the PRC and Japan, for $300 million until next September. The USSR and the PRC had asked Washington to be included in subsidized exports programs like "dumping" or "Pik" for "Payment and Kind" [preceeding word in English], which means payment with products instead of money.

The U.S. Senate decision was made a few days after the Argentine Government signed an agreement with Japan for the sale of 3 million tons of grain for the 1986-87 term during President Raul Alfonsin's recent tour to six countries on four continents.

The newspaper TIEMPO ARGENTINO today reported that preparation began yesterday of the protest message by the Argentine Foreign Ministry and the Agriculture, Livestock and Fishing Secretariat, based on the fact that the U.S. measure "would be an indicriminate aggression against all agricultural countries."

This is how Argentina will react before the U.S. Senate authorization to subsidize its grain exports with $300 million until next September. This subsidy will make the U.S. ton of wheat cost the same as the Argentine. The cost of transportation from the southern hemisphere, however, will be greater than that from the United States.

In addition to the fact that we do not have a grain surplus to export this year, what really concerns Argentina is the precedent that is being established in the international market by this decision. Argentina will be directly affected next year if the United States continues with its subsidies and if we still have grain surpluses after our sales to "sure" clients such as Brazil and Iran, since countries like the USSR would buy American grain instead of Argentine.

CAPUTO RETURNS FROM OFFICIAL FRG VISIT

PY272148 Buenos Aires TELAM in Spanish 1434 GMT 27 Jul 86

[Text] Buenos Aires, 27 Jul (TELAM) -- Argentine Foreign Minister Dante Caputo returned this morning to Argentina from an official visit to the FRG, where he met with FRG Chancellor Helmut Kohl and Foreign Minister Hans-Dietrich Genscher.

Caputo arrived in the Ezeiza International Airport at 1045 and left without making any statements to the press.

FURTHER REPORTAGE ON CONTINUING ANTIDRUG CAMPAIGN

Antelo News Conference

PY251843 Paris AFP in Spanish 1831 GMT 23 Jul 86

[Text] La Paz, 23 Jul (AFP) -- Information Minister Herman Antelo today stated that during the raids against drug trafficking being conducted by joint Bolivian and U.S. forces in northwestern Bolivia, not 1 gram of cocaine has been seized, but cocaine production and distribution has been disrupted. During a news conference, Antelo emphasized that the strategy and the plan to eradicate drug trafficking from Bolivia were drawn up by Bolivian authorities in October 1985 using information supplied by the U.S. Drug Enforcement Administration (DEA).

The minister said that the actions and maneuvers in the extensive Amazon region of Beni were resumed today after a 2-day suspension owing to poor weather conditions. Antelo added that chemicals and laboratory equipment were burned under the supervision of civil court representatives in El Zorro, a cattle ranch where about 1,500 kg of cocaine sulphide per week was processed.

The minister confirmed that 15 people involved in drug trafficking, among them Chilean citizens Walter Buera Sossa and Wildredo Guerra Toro, were arrested in Santa Cruz, eastern Bolivia. The minister said that out of the 15 detainees, there is evidence that Jorge Flores Moises (alias Captain Flores), Victor Hugo Toto, and Saul Cuellar Vaca are prominent in Bolivian drug trafficking circles.

Asked about the exchange of notes between the Bolivian and U.S. Governments concerning the holding of joint operations, the minister said that the agreement is only verbal, there is no written agreement. Antelo added that the so-called verbal agreements were exchanged between the justice ministries of the two countries.

Concerning the Bolivian request to receive support from the Reagan administration, Antelo said that the presence of U.S. troops is necessary because we do not have people who are technically trained to operate helicopters and other equipment. Antelo said that pilots, technicians, and experts in air traffic control have come to the country.

The minister said that the government's economic policy foresees economic reactivation aimed at ensuring that the thousands of people who cease to be involved in the coca and cocaine business are not left without a means of making a living. Antelo described as political reactions and self-interest the protests of political and trade union sectors, which have opposed the presence of the 160 U.S. Army troops in Bolivia. Antelo reiterated that no deadliine has been set for the completion of the joint maneuvers whose basic goal is to break up cocaine production and trafficking in Bolivia.

Valle on U.S. Troops

PY251536 Paris AFP in Spanish 2101 GMT 24 Jul 86

[Text] La Paz, 24 Jul (AFP) -- Defense Minister Luis Fernando Valle today admitted that the High Command of the Armed Forces was not consulted on the arival in Bolivia of 160 U.S. troops to fight drug trafficking.

The minister explained to the press that the Miltary High Command did not participate in the planning or in the assignment of objectives scheduled in this campaign against drug trafficking because this campaign strictly pursues a police strategy. Valle said the police forces who are fighting the drug traffickers are called Leopards and they are receiving U.S. logistical support.

Elsewhere in military circles, it was reported that the Army and the police are on a state of alert in view of the so-called general consultation sponsored by the Bolivian Labor Confederation, a general consultation that tomorrow, Friday, will ask the people to approve or disapprove of the new tax law and the foreign debt payment.

Raids in La Paz, Chapare

PY251644 La Paz Red Panamericana in Spanish 0000 GMT 25 Jul 86

[Text] We now read the Interior Ministry communique No 1 on the raids against drug trafficking jointly conducted by the United States and Bolivia in Bolivian territory. The Mobile Units for Rural Areas (UMOPAR) yesterday conducted another raid against drug traffickers in northern La Paz Department, following a plan drawn up by intelligence personnel with the support of a U.S. mission and have achieved very satisfactory results.

At 0900 three police patrols comprising 40 specialists in this type of action went to objective No 70, located at coordinates 12 degrees 45 minutes south latitude and 68 degrees 02 minutes west longitude, aboard four helicopters. The objective is located in Iturralde Province, on an estate known as Can Carlos, some 55 minutes by air from the outpost base.

At about 0955, the police branch landed on a 1,600-meter airstrip. Three poorly built warehouses for storing chemicals to process cocaine were found near the airstrip. A green Suzuki pick-up truck was also found in the undergrowth. Starting from this site, the patrols conducted a dragnet operation until about 1100, when they located their main objective about 1,500 meters from the airstrip. The cocaine hydrochloride factory comprises a fairly large camp with 18 canvas-roofed shacks, the three largest of which were used as laboratories for processing cocaine.

The camp has 3 potable water wells and the following facilities: 1 baker's oven, 1 large electric power generator, 2 small generators, 3 large refrigerators, 2 small cooling chests, 3 chainsaws, 80 plastic containers, 10 sulphuric acid and hydrochloride acid containers, 30 empty containers for chemicals, 1 large hydraulic press, 3 automatic washing machines, 29 barrels of fuel, 20 mattresses with sheets, 1 large precision scale, 3 small scales, and 1 Yamaha motorcycle. There was also a warehouse used to store staples and medicines. All this is adequate for approximately 100 people, men, and women.

According to observations made by experts, it is estimated that the factory could process 2,000 kg of cocaine per week. This amount of cocaine must have been transported on a regular basis in medium-sized airplanes, taking into account the length of the airstrip. The chemicals found on the site are of German and Italian origin, although they were brought into Bolivia via Colombia and Brazil.

According to reports gathered in the area where some peasant families are living, on Saturday, 19 July a yet undetermined number of flights took place, most of them to evacuate people, some of whom were believed to be foreigners. The group of drug traffickers acted systematically and everything leads one to believe that their leaders are foreigners. While they stayed at the site, they enjoyed unusual comfort. The police, who have the area under control, have posted a permanent guard, comprising mainly UMOPAR forces.

Another report states that several raids have been conducted in Chapare area by UMOPAR forces with he support of a Lama helicopter of the Bolivian Air Force. As a result of the police raid, 110.75 kg of wet cocaine sulphate base was seized, 140 coca crushing pits were destroyed, and 20 clandestine cocaine factories were burned.

Ministry Issues Communique

PY261559 La Paz La Red Panamericana in Spanish 1130 GMT 26 Jul 86

[Text] According to Interior Ministry communique No 2, UMOPAR forces are continuing to conduct raids against drug trafficking. Interior Ministry communique No 2 states that the UMOPAR continued its intelligence and reconnaisance activities in Beni Department. Specialized UMOPAR patrols went approximately 100 km northwest of the city of Trinidad, near a small town called Mexico, and then returned to their bases yesterday afternoon. The national police command on Thursday ordered a 24-hour suspension of the raids to make some administrative and logistical adjustments and to wait for poor weather conditions to clear.

The UMOPAR forces deployed in Chapare conducted new raids yesterday in Chimore, (Vueltadero), Chapare Province. They located 3 cocaine sulphide factories in full operation, 15 coca crushing pits, 10 sulphuric acid containers, and 2 kerosene drums. The factories and the materials were immediately burned in compliance with the provisions of a decree recently enacted by the Bolivian Government. No arrests were made during these raids.

PS-1 Seeks Censure by Congress

PY241503 La Paz La Red Panamericana in Spanish 1700 GMT 23 Jul 86

[Text] The Socialist Party-One [PS-1] this morning called for a special congressional session to censure the government's decision to authorize the presence of U.S. troops on Bolivian territory. During a news conference this morning, PS-1 Deputy Roger Cortes presented a document entitled "Coca, the New U.S. Frontiers; a Spectrum of Violence." In the document, the PS-1 advocates a change in the attitude of the Bolivian people and exhorts them to demand that the U.S. troops go home. This is what Cortes told Panamericana:

[Begin Cortes recording] I will summarize the PS-1 documents. First, the presence of U.S. military troops can only be considered as foreign military intervention, because it has been ordered through a decree signed -- listen carefully to this -- by U.S. internal security. This means that when these troops begin to (?fight) in Bolivian territory, the U.S. frontier has moved southward from the Rio Grande, the traditional U.S. border, to Beni, and that Bolivian territory has become part of U.S. territory. [end recording]

U.S. Troops To Stay 60 Days

PY251700 Paris AFP in Spanish 1506 GMT 25 Jul 86

[Text] La Paz, 25 Jul (AFP) -- Bolivian Foreign Minister Guillermo Bedregal Gutierrez said here today that the U.S. troops fighting drug trafficking in Bolivia will remain 60 days in this country.

Barthelemy: U.S. Equipment Needed

PY261830 La Paz La Red Panamericana in Spanish 1130 GMT 26 Jul 86

[Excerpts] Interior, Migration, and Justice Minister Fernando Barthelemy has stated that Bolivia has asked the United States to leave its helicopters and equipment in the country after the U.S. troops leave Bolivian territory. The Interior Minister explained that Bolivia has many technical limitations. Thus, we would need that equipment to continue the struggle against drug trafficking, said Barthelemy. Listen to his statements:

[Begin Barthelemy recording] I believe that if we get aircraft to operate ourselves, if possible within 60 or 90 days, then we would no longer need the support we are now receiving from these U.S. Army units. It will essentially depend on this. We are working on this with the United Nations, the EEC, the United States itself, and other countries that are interested in the drug problem, seeking as soon as possible to get our own fleet, operated by (?Bolivians) [end recording] [passage omitted]

Afterward, the minister said that the government's opponents criticize the U.S. presence, but that they are very much mistaken. He said the following:

[Begin Barthelemy recording] Concerning the opposition of some Bolivians who are telling us that we should not have accepted the assistance of this specialized U.S. Army unit because it would entail violating constitutional provisions, we will address all the arguments when we report to the congress. I would, however, like to repeat something I said yesterday. These people have gotten used to just criticizing, but not pointing out alternatives. [passage omitted] [end recording] [passage omitted]

GOVERNMENT COMMUNIQUE ON COB CONSULTATION

PY250300 La Paz La Red Panamericana in Spanish 1130 GMT 24 Jul 86

[Text] The government has stated that the general consultation called by the Bolivian Labor Confedration [COB] is an attack against the constitutional laws. A communique issued in the past few hours, entitled "An Antidemocratic Sham," states the following:

Resorting to a publicity trick, called a general consultation, the COB is trying to recover the effectiveness it lost following the memorable days of co-management which left the country and its inhabitants in misery. In fact, concerning the general consultation and its foreseeable outcome, it is only appropriate to note that the polling stations are exclusively controlled by COB supporters. Votes are to be cast only for the whole proposal, that is, it is only possible to agree with both proposals, not with just one. Voting will be carried out without being based on the national electoral register. Thus, it is not known who will vote or how many people will vote. Given this curious system, the same person may vote as many times as desired.

The COB controls the general consultation. But, the Information Ministry asks: who controls the COB? The general consultation will be carried out on working days to force the workers to vote. With all this in mind, the general consultation cannot but remind us of the ones conducted under totalitarian regimes, either rightwing or leftwing regimes, with the results being planned beforehand. The COB abhors the representative democratic system, calling it bourgeois and proposing a popular democracy, a position that is not too far from the one advocated by a certain personality, who is now on trial, and who, on behalf of some unheard of type of democracy, quelled every vestige of liberty in the country.

COB, Government Express Views

PY261742 LA Paz La Red Panamericana in Spanish 1130 GMT 26 Jul 86

[Text] The Bolivian Labor Confederation [COB] has stated that the general consultation held throughout Bolivia has been completely successful, but the government insists that it was not even noticed by the community. COB Permanent Secretary Anibal Castanon told the press that the people have said no to the government concerning its tax reform and its decision to service the foreign debt. The general consultation, which was sponsored by the opposition political and trade union organizations, was held on 25 July, for 8 consecutive hours in 90 percent of the major cities. In the provinces of the eight national districts, the situation is not clear yet because in some cases the general consultations ended early and in others it was postponed. Anibal Castanon added that with the exception of Cobija, the capital city of Pando Department, north of La Paz, the general consultation was held in all major Bolivian cities.

Castanon charged that progovernment individuals have committed abuses in Oruro and Sucre. Therefore, surveillance brigades were formed to guard the polling stations at political party and trade union offices and in public places such as plazas, Castanon stated. Castanon said that there was a massive turnout at the polling stations and that even congressmen, soldiers, and police officers expressed rejection of the government's antinationalist and antiworker policy. Astanon added that the National Electoral Court had been invited to determine whether or not frauds were committed, and to verify that, at any rate, the polling was held in the open. Castanon also stated that the sponsors of the general consultation expect to have the final results from the entire country within 3 days at the most.

Information Minister Herman Antelo, the official spokesman for the Paz Estenssoro government, has stated that the general consultation went completely unnoticed. The information minister denied that incidents, such as the seizing of ballot boxes and ballots, which had been reported by COB leaders, had taken place. Antelo said that the general consultation's sponsors themselves, that is, the COB people, were behind these actions aimed at getting the community's attention. Antelo added that those actions, which he attributed to the COB and to the opposition parties and organizations, were aimed at disguising the failure of the general consultation. Afterward, Antelo stated that the people did not respond to the COB call for a general consultation because they have a clear understanding of the meaning of the current democratic government and its decisions. He also said that the executive branch could enforce a state of siege if the laws are violated, although such an action is not anticipated.

GOVERNMENT PLANNING TO RESIST PRESSURE

PY280322 Madrid EFE in Spanish 1950 26 Jul 86

[By Adalid Cabrera Lemuz]

[Text] Brasilia, 26 (EFE) -- Brazilian Government sources today said the Brazilian Government is not willing to give in to U.S. pressure within the GATT. This pressure aims to lift Brazil's protectionist measures in informatics, banking, and insurance.

The U.S. position and that of the less developed countries will be discussed during the GATT meeting, which will take place in Punta del Este, Uruguay, in September. About 200 finance and foreign ministers of the member-states will participate in the meeting.

A preliminary meeting began in Geneva, Switzerland this week and will continue until the end of July. Different GATT member groups participating in the meeting are defining their proposals.

The United States has demanded the establishment of a new international trade order whose main characteristics are the opening of markets in informatics, banking, insurance, and communications, thus allowing foreign companies to participate in these services. The United States intends to negotiate all trade services in a single package within a framework called "international trade order for the 21st century," through which the protectionist barriers on agriculture and industrial goods will be lifted in exchange for a similar measure on informatics, insurance, banking, and communications services by the less developed countries.

Brazil has sided with another nine developing countries from the so-called "Group of 10" to protect the current international order and to prevent transnational corporations from taking control of such important fields as informatics, banking, and insurance.

The Brazilian Foreign Ministry has expressed the need to negotiate separately the different subjects of the GATT meeting, particularly the activities of national companies, such as data processing, software, banking, insurance, telecommunications, and transportation.

In turn, beside discussing trade in these fields, the United States has proposed negotiations in communications, advertising, civil construction, engineering, administration and consulting, real estate, hospitals, tourism, leisure, and education.

According to reliable diplomatic sources, the United States will demand to negotiate all these subjects in a single package, and it will start an investigation into Brazil's protectionist barriers in informatics and insurance. The American negotiators have already managed to have South Korea open its insurance market and they now seek an agreement with Brazil in informatics.

The same sources added that the United States controls 30 percent of the world trade services, the EEC controls 50 percent, Japan 9 percent, and the remaining 11 percent is shared by the rest of the countries.

The Group of 10, consisting of Argentina, India, Yugoslavia, Egypt, Peru, Nicaragua, Cuba, Tanzania, Nigeria, and Brazil, demands that before reaching any agreement with the United States to lift custom duties barriers, the White House should approve measures to favor the trade of the less developed countries. Among these measures, the Group of 10 requests a possible U.S. agreement not to set up obstacles to importing industrial and agricultural goods within the so-called standstill [preceding word in English].

To end protectionism is some fields in the less developed countries, the United States has the support of Japan, the EEC, and the Group of Nine, made up of developed countries (Canada, Australia, New Zealand, Switzerland, Austria, Sweden, Norway, Finland, and Iceland).

TRADE PACT SAID TO WORRY PARAGUAY, CHILE

PY251927 Rio de Janeiro O GLOBO in Portuguese 24 Jul 86 p 29

[Text] The Chilean and Paraguayan Governments have expressed concern to the Brazilian Foreign Ministry over the Brazil-Argentina agreement. Uruguay also expressed concern but it received explanations from the Brazilian and Argentine Governments. President Julia Maria Sanguinetti is not only interested in signing a tripartite agreement; he also wants to know what will happen to Uruguay's trade expansion protocol with Brazil and its economic cooperation agreement with Argentina.

By these two agreements, signed bilaterally in 1974 and 1975 with the ALADI's permission, Uruguay obtained a series of privileges and tariff concessions. Unity between the two largest Latin American countries might, however, affect Uruguayan advantages, since Uruguay exports manufactured products to Argentina and raw materials to Brazil. During the meeting in Buenos Aires, President Sanguinetti will not sign any agreement with Sarney and Alfonsin, but he will be informed in detail of all the negotiations between the two large governments. For this purpose the three presidents will meet for 4 hours, including a private luncheon.

According to Itamarty sources, during the meeting Sarney and Alfonsin will show Sanguinetti that the signing of the Argentina-Brazil agreement will yield positive results for Uruguay, which is deepy connected with the two economies.

On 29 July, Presidents Sarney and Alfonsin will sign eight protocols prepared by Brazilian and Argentine experts during four meetings. These include pacts on: the purchase of Argentine wheat (2 million tons annually for a 5-year period), complementary exchange of foodstuffs, complementary exchange of capital goods, expansion of the bilateral trade to reach a $2 billion annual exchange, the creation of binational companies, reciprocal financing, oil and gas energy cooperation, and other scientific and technological exchanges.

PINOCHET: FOREIGN MEDDLING WILL NOT BE ACCEPTED

PY252227 Santiago Radio Chilena in Spanish 1700 GMT 25 Jul 86

[Relay from La Moneda Palace by Eliana Henriquez]

[Text] Good afternoon. President Augusto Pinochet stated today that Chile will not accept foreign interference even if it is hidden under the most attractive trappings. Pinochet spoke at the Diego Portales Building to close the Eighth National Congress of Mayors. In attendance were intendants, governors, legislators, ministers, and other authorities.

In his speech, General Pinochet told the mayors that they must take a firm position and be committed to the future. He said it is necessary to open our eyes and focus our concern on what could happen at the end of the current presidential term. On that occasion, the chief of state stated: We will face our greatest challenge, which is, to guarantee the government's continuation under the mechanisms established by the Constitution. Pinochet then referred to the latest document issued by the episcopal conference. A few days ago, I read, he said, something which possibly was proposed with very good intentions: the document attempts to explain the causes of violence during a government with military characteristics.

Pinochet stated: In this regard, I want to ask: Why do those countries with governments which call themselves democratic have terrorism and violence much worse than those in Chile, and their acts leave us even more terrified?

The Chilean President then added that the worst enemies of progress are the people who use slander and lies to achieve power. He said that the Marxist practice of provocation and aggravation of conflicts is still being used. He added that the Marxists are not giving up the strategy of the continuous campaign to promote foreign interference, seeking to cause pressure and harrassment against the country, to the detriment of most Chileans. In this regard, Pinochet stated that Chile will remain in the hands of the Chileans.

[Begin Pinochet recording] I want to tell those who claim to be our friends and who have similar principles, not to be deceived by those whose real intentions are to distort the facts and to seek the government's failure. The foreign representatives must understand that our national feelings are identified by the principles that have shaped our civic history. Chile has never accepted nor will it ever accept foreign interference. [end recording]

In his speech, the president also said that totalitarian groups have not given up their objectives, and are closely linked and obedient to Moscow. They are the same ones who pretend to build democracy with barricades and terrorism. They take advantage of the sorrow of others, and want to be called victims instead of murderers.

In conclusion, Pinochet urged the mayors, governors, and intendants to fight the Marxist offensive, and to try to uproot the agents of hatred and division. He also urged them to promote the unity of all Chileans, seeking legitimate interests over the natural disagrements, which take place in a free society, he stated.

At the end of his speech, the chief of state signed and forwarded to the Government Junta, the draft bill on the attributions, organization, and functions of the regional electoral courts. Good afternoon.

POLITICIANS REACT TO GELBARD'S STATEMENT

PY251938 Santiago LA TERCERA DE LA HORA in Spanish 19 Jul 86 p 6

[Excerpts] The statement by U.S. Deputy Assistant Secretary of State for South America Robert Gelbard in which he said the United States supports a peaceful transition toward democracy through the most expedient and effective means has aroused various reactions within the political circles.

National Union leader Fernando Maturana has said: "He has expressed a complete viewpoint of what, in his opinion, would be a possible and fair transition, which should be completely peaceful, and entail a total rejection of violence."

"So as not to leave any doubt, he made it quite clear that the Communist Party and its partners are incompatible with the process of a peaceful transition, pointing an accusing finger at pseudo-democrats, who deal, agree, or associate with the Communist Party, as people who are participating in the peaceful transition," Maturana said. Maturana said "Gelbard concluded his view of the elements required for a peaceful solution stating that, in his opinion, democracy must be achieved via democratic procedures, increasingly expanding liberty, mentioning freedom of the press, right of free assembly, and especially the rapid enforcement of a law on political parties."

The president of the Radical Party and the Democratic Alliance, attorney Enrique Silva Cimma, has described as "positive the proposal made by Mr Gelbard, for he has stated that his government's thinking is to support a peaceful transition toward democracy as soon as possible." Silva Cimma said: "We have always stated, and he also reasserted in his statement, that it is up to us, up to all Chileans, to overcome the problem of our crisis. Thus, I understand that his statement represents good brotherly support from the U.S. Government to all of us who are peacefully struggling to achieve a transition toward democracy."

Silva Cimma also said that he was not mentioning, "for obvious reasons, the other assessments made by the deputy assistant secretary of state for South America, which will be assessed by the Chileans because they actually deal with the strategies that the various sectors of Chilean ideological leanings are using, which have always been regarded by the U.S. Department of State, using criteria with which we are all familiar." [passage omitted]

The Popular Socialist Union (USOPO) Secretary General Ramon Silva Ulloa has said that "we fully agree because the transition toward democracy must be quick and effective. We have been saying at the various forums, such as the National Accord for a Transition to Full Democracy and the Democracy Alliance, that the transition must be achieved within an atmosphere of public freedom."

Social Democratic Vice President Arturo Venegas has said that he shares "to a large extent Mr Gelbard's diagnosis of the Chilean political situation, especially the part concerning the need to create an atmosphere of increased liberties, allowing for progress toward democracy."

Venegas said: "No doubt, the reconciliation among Chileans and the pacification of some spirits is indispensable for a peaceful transition toward democracy, and this involves freedom of the press, the right to free assembly, political parties, and respect for human rights. These are precisely the immediate measures proposed by the National Accord, along with a constitutional reform, and the freedom to hold free elections to choose the authorities." [passage omitted]

ANOTHER EYEWITNESS DESCRIBES TORCHING INCIDENT

PY251511 Santiago CAUCE in Spanish 7-13 Jul 86 p 21

[By A.P.]

[Text] The individuals who burned Carmen Gloria Quintana and Rodrigo Rojas Denegri arrived in a pale blue Chevrolet G-10 pickup truck, they were dressed in green camouflage uniforms, carried 7.65 mm caliber SIG assault rifles, wore U.S. -made helmets, and had their faces painted black.

A few minutes before 0800 [1200 GMT] the residents of General Velasquez neighborhood realized that horror had no limits in this country.

During a perfect pincer operation, appropriate for a real war, the uniformed group surrounded a group of civilians who were walking along the Veteranos del '79 Street toward General Velasquez. Machinegun bursts were fired into the air and people started to flee in disorderly manner as the soldiers chased them, or better said, as the soldiers began the hunt.

Pedro Martinez managed to escape. Fortunately he found refuge in a broom factory on the corner of Fernando Yungue and General Velasquez streets. From there he was able to witness the suffering of Carmen Gloria Quintana Arancibia, 18, an electric engineering student of the USACH [Santiago National University] and Rodrigo Rojas Denegri, also 18, the son of exiles. Rojas had arrived in Chile just 2 months ago.

This is Martinez' account of the incident: "I was trying to make my way downtown to attend to some personal matters. The military men appeared suddenly. They arrived in a pale blue pickup and a large truck. They jumped out of the vehicles and firing their weapons, ran toward the people. Everyone started running in all directions. I went along Fernando Yunque Street and saw that the broom factory door was open so I went in. I heard cries of pain and looked out through the crack of the door." Our witness had to involuntarily interrupt his account. We were at the site of the torture and neighborhood youths were painting slogans on a wall denouncing the shameful behavior of the military. It was noon on 3 July and the youths on guard gave a warning. Bursts of machinegun fire were heard and the time had come to flee. The slogans on walls were left incomplete.

When the military vehicle left the site, peace was restored.

The painting of the walls was concluded and our witness continued with his account: "The young boy was knocked down with rifle butt blows. The soldiers continued to beat him after he was on the ground. All he attempted to do was protect his head. The individual who seemed to be the leader of group ordered another to bring a gasoline can. The latter went to the pickup truck and brought the can. They then proceeded to spill its contents over Rojas Denegri and set him on fire. He screamed and rolled on the ground. He then fainted and lay there with smoke coming off his body. Rojas was barefoot and only some remains of his shirt were left stuck to his skin. The uniformed men then covered him with a blanket and the leader ordered that he be shoved into the pickup truck. I then saw Carmen Gloria. I knew her because I live near her house. She was completely burnt. They covered her with a blanket and shoved her into the back of the pickup. She was still smoking. The men in uniform sat on top of the two youths and the pickup left," Pedro Martinez' account was confirmed by priest Jose Aldunate, of the Neighboring Jesus Obrero parish. Moreover, he collected pieces of burnt clothing belonging to the two youths.

The C-10 pickup truck left at full speed and news of the victims was not learned for several hours. They were thrown from the vehicle on a road to Quilicura.

They were found by a couple of Carabiners. the victims were wandering about in a state of shock dropping pieces of skin as they went along. They were given first aid treatment at the Guilicura post and then taken to the Central First Aid post where a struggle to save the lives started. Physician Raul Guzman, director of the post, disclosed that "they were burned from head to toe." The first one within the government to realize the seriousness of the tradgedy was Interior Minister Ricardo Garcia. He immediately requested the appointment of a special judge "in view of the seriousness of the incident," according to a note sent to the Apellate Court.

The parents of the young girl kept their anger to themselves and filed a lawsuit in the 15th Criminal Court. With the help of the Vicariate of Solidarity, they also requested the appointment of a special judge. Minister Garcia managed to get an authorization for exile Veronica Denegri, mother of Rodrigo Rojas, to enter the country temporarily.

Chilean citizen Veronica Denegri who lives in Washington came to watch her son agonize.

HOY Publishes Report

PY251520 Santiago HOY in Spanish 21-27 Jul 86 pp 14, 15

[Excerpt] [passage omitted] According to what has been reported to HOY, Rodrigo Rojas was walking together with three other young men of the neighborhood in the morning of the 2 July. This group -- Carmen Gloria Quintana was in another group -- intended to erect a barricade when a blue Chevrolet C-10 pickup truck appeared carring soldiers who aimed their weapons at them.

According to a report by the youths they were carrying some five tires, a container of gasoline, and three Molotov cocktails. On the arrival of the military, the youths scattered, leaving behind the container, a Molotov cocktail, and the tires at the corner of Veterans of '79 and Fernando Yungue Streets.

These same objects were used against the youths. The gasoline was sprinkled over Carmen Gloria and Rodrigo and, in the case of Rodrigo, a Molotov cocktail was used. Pieces of the bomb were left at the place of the incident: Catholic priest Father Jose Aldunate found the neck of the bottle and pieces of burned clothing at the site. He handed them over to the Vicariate of Solidarity.

All this material was sent to the courts and Judge Echaqvarria ordered an expert examination of the remains of the Molotov cocktail and the clothing. He also ordered other investigations.

The eyewitness reports regarding the military detachment that participated in the action have agreed that the detachment was made up of about 25 uniformed youths, "looking like recruits." The detachment acted on whistles and gestures, rather than words of command. The commanding officer was described as "a young man, with a light complexion, and rather dark hair." Over his peaked cap he wore a fur cap buttoned in front. He had an antiriot shotgun and wore "daytime camouflage," with a black stripe painted across his face.

The noncommissioned officer who obeyed his orders was older than the officer, "an average-sized man, with white heart-shaped spotted stain on the forehead." Both the officer and the noncommissioned officer acted very calmly. The noncommissioned officer gave orders to the young soldiers. One of the soldiers had something like a radio with an antenna on his back. Until last week the Carabineros OS-7 had sent Judge Echavarria two reports. The Chilean Human Rights Commission has handed over to the court three complete reports on the attack. [passage omitted]

U.S. Lawyer To Observe

PY251937 Paris AFP in Spanish 1542 GMT 25 Jul 86

[Excerpt] Santiago, 25 Jul (AFP) -- The Chilean Human Rights Commission today reported that a U.S. lawyer will install himself in Santiago to observe the court investigations in the case involving the burning of two young opponents to the regime of General Augusto Pinochet. The lawyer is Bruce Rabb, a member of the Republican Party of President Reagan.

The U.S. Government has repeatedly expressed its wish for clarification in the case of the death of photographer Rodrigo Rojas, 19. [passage omitted]

Gen Canessa Comments

PY251920 Santiago EL MERCURIO in Spanish 23 Jul 85 p C 2

[Text] Lieutenant General Julio Canessa, member of the Government Junta, yesterday said that the case of the two burned students is receiving justice and "it will not affect the government's image, just as one swallow does not make a summer."

Gen Canessa made this statement to journalists after a regular session of the Government Junta at the Diego Portales building. He said that only justice can judge the events. Asked about the release of the conscripts who were supposedly linked to the case, Gen Canessa said that this was the judge's decision, and he did not wish to comment on it.

Questioned about the Army's view on the case, he said: "So many things can happen when someone incites violence, but if a connection with military men is proven, it will be regrettable. That is what justice is for, however, and it will have to be applied to those who are responsible,"

Asked if some changes are going to be made within the Army following the repercussions of the incident, he replied that the case receiving justice and that "when the last word has been said, decision will be made." He added, referring to the case of the slaughtered professors, "the fact that one thing has happened does not mean that something else will happen."

Gen Canessa was then questioned on the comment by the U.S. Assistant Secretary of state for Latin American Affairs, Elliot Abrams, on an alleged split within the Chilean Armed Forces. He replied: "Let him worry about U.S. problems, we will worry about ours."

He also said that the draft bill on the electoral system is nearly ready and that it is being typed up. He thinks that the Government Junta may approve it in its last session this month and then send it to the Constitutional Council.

Regarding the political parties law, he said: "Everyone knows that it is at a standstill and that it will be prepared in the future."

General Army Officers Meet

PY252357 Santiago Radio Chilena in Spanish 1700 GMT 25 Jul 86

[Excerpt] Army Deputy Commander Major General Santiago Sinclair held a secret meeting with officers of the northern region. We have further details on this from reporter Miguel Garay, through Radio Carillones, FM, of Calama.

[Begin relay] Local press reports say that Army Deputy Commander Major General Santiago Sinclair held a secret meeting with officers of the 1st Army Division, headquarteds in Antofagasta.

According to local press reports Gen Sinclair's mission was to report to officers of the northern part of the country the Army's version regarding the death of Rodrigo Rojas, who was burned alive together with studenly Carmen gloria Quintana, who remains in critical condition.

The people of the northern part of the country have been greatly shocked by this event. Their reaction has probably led to the trip of the Army deputy commander, who met under strict secrecy with all chiefs and officers of the various regiments and garrisions of the second region. [passage omitted] [end relay]

Cardinal Wants Investigation

PY272230 Madriv EFE in Spanish 2021 GMT 26 Jul 86

[Excerpts] Santiago, 26 Jul (EFE) -- Santiago archbishop Cardinal Juan Francisco Fresno today demanded that the Supreme Court conduct "an in-depthand careful investigation" into the case of the two burned youths.

"The prestige of the Chilean Amy and courts, which are essential institutions in our country, is at stake. This makes it even more necessary to conduct and in-depth, careful investigation," the cardinal said.

In a statement released today, the cardinal said: "Our mission as pastors compels us to express our deep concern over the serious disregard for moral values in the case of the two burned youths, and over the decision that the judge has issued in this regard."

"It is easy to see that the explanation has been clearly insufficient, because of the concern that this event has raised in our community," Fresno said. He added: "Consequently, we call upon the Supreme Court to take the necessary measures to conclude the investigation and preserve justice."

The cardinal stressed that "the people have witnessed several crimes in which the authorities have failed to identify those responsible. These crimes have shocked the public."

"This case, which has affected everyone having a clean conscience, cannot remain unsolved and unpunished," Cardinal Fresno concluded. [passage omitted]

This protest by Juan Franscisco Fresno is just one of the many voices that has risen against the judge's decision, The Chilean Human Rights Commission, the Chilean Bar Association, the Group of Constitutional Studies, and several other social and political organizations have also criticized the decision.

POWERFUL BOMB EXPLODES IN FRONT OF LA MONEDA

PY260055 Paris AFP in Spanish 0015 GMT 26 Jul 86

[Text] Santiago, 25 Jul (AFP) -- According to AFP correspondents, a powerful explosion occurred tonight in front of La Moneda Palace. The explosion reverberated throughout Santiago's Civico District, and at least six persons were wounded.

Police sources have indicated that the explosion was caused by a bomb that had been placed in a garbage can and was set to go off when many people were in the area. The bomb was located only 30 meters from the Chilean presidential palace.

The explosion occurred at 1950 (2350 GMT) and seriously damaged a bus that was picking up passengers at a bus stop.

The police have cordoned off the entire sector surrounding the presidential palace, while numerous ambulances continue to arrive at the scene of the explosion.

Cuadra Discusses Incident

PA262350 Buenos Aires TELAM in Spanish 2033 GMT 26 Jul 86

[Excerpts] Santiago, 26 Jul (TELAM) -- The four persons who were hospitalized after being injured by a bomb explosion in front of the Government Palace are today out of danger, while 32 people suffering from minor injuries were released from the central first-aid station and sent home.

The Carabineros today reported that two other bombs were located and defused last night, one of them in a restaurant in front of the parade ground and another on a window of a butcher shop in southern Santiago. [passage omitted]

Last night, while looking at the area affected by the bomb, Francisco Javier Cuadra, secretary general of the presidency, said he would "like to see the country and the world concerned about these innocent victims," clearly alluding to the uproar caused by the case of two burned youths. [passage omitted]

FPMR Denies Responsibility

PY260356 Madrid EFE in Spanish 0339 GMT 26 Jul 86

[Excerpt] Santiago, 25 Jul (EFE) -- The armed opposition group Manuel Rodriguez Patriotic Front (FPMR) tonight denied it had anything to do with the explosion that occurred in front of the Government Palace, injuring 36 people.

A self-styled spokesman for that Marxist political-military organization telephoned EFE's Santiago office, and in addition to denying that it had anything to do with the explosion, also charges that "the criminal attack" is an "obvious maneuver that seeks to place a smokescreen over the case of the youths who were torched by a military patrol, which has provoked national and international rejection" of General Augusto Pinochet's military regime.

"The FPMR fights the dictatorship, not innocent people," the spokesman concluded. [passage omitted]

ELN REENTERS POLITICAL ARENA, CONTACTS BARCO

PA260127 Bogota Television Service in Spanish 1730 GMT 25 Jul 86

[Report by Mary Villalobos]

[Text] After fighting in the rural area for 26 years, the National Liberation Army [ELN] has decided to enter the political arena. Because of this, the ELN contacted the president-elect. The ELN members voiced to the new president their willingness to have peace. Here is ELN Commander Ernesto Gonzalez:

[Begin Gonzalez recording] I have been in personal contact with one of President Barco's cousins, who is a great friend of mine. Through this friend, we sent Barco a message expressing our feelings and saying that we hope he will continue this policy instead of facing a civil war. [end recording]

This group, one of the most radical and skeptical about the truce, made a 180-degree political turn. The ELN issued a call to those who are still underground to reintegrate themselves into society. ELN members stated that the M-19 and the EPL [Popular Liberation Army] will return to the dialogue.

[Begin Gonzalez recording] These people will return to the dialogue. I trust the political maturity of the EPL and M-19 leaders and therefore I am almost certain that they will return. [end recording]

According to them, a proof of their political maturity is to give some credit to President Betancur. Regarding this, ELN Gonzalez continued:

[Begin Gonzalez recording] We truly admit that Betancur's government had a great deal of independence regarding its internaional policy, as proven in the cases of Contadora and the Nonaligned Movement. This helped him a lot. However, we do not praise the way in which he handled the Justice Palace incident. [end recording]

The guerrilla group hopes President Barco will give them an answer in his inaugural speech on 7 August.

POLICE DESTROY PUTUMAYO COCA PROCESSING CENTER

PA250243 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 24 Jul 86

[Text] Bogota -- The police have dismantled the largest center for cultivation and processing of coca from Colombia, Bolivia, and Peru. During the operation being carried out in Putumayo, the authorities have so far discovered 40 hectares of coca plantations, buildings, and equipment and have also captured several persons who cooperated with the clandestine center. The laboratories and the plantations are located in Hormiga, San Miguel, and Totoge in Putumayo.

The authorities have reported that the operation by the police and narcotics agents has been in progress for the past 12 days. Eighty men supported by helicopters have continued the seizure of what has been regarded as the biggest area of operations of the South American drug traffickers.

THREE NEW MINISTERS APPOINTED, ONE TRANSFERRED

PY261307 Paris AFP in Spanish 0651 GMT 26 Jul 86

[Text] Lima, 25 Jul (AFP) -- President Alan Garcia tonight appointed new ministers of the Navy, Labor, and Fisheries. According to the official news agency of the government, he also transferred the former labor minister to the Justice Ministry.

Vice Admiral Willy Harm Esparza was appointed navy minister, replacing Vice Admiral Julio Pacheco Concha Hubner. Orestes Rodriguez Campos replaces Carlos Blancas Bustamante as labor minister, and Blancas Bustamante goes to the Justice Ministry to replace Luis Gonzalez Posada, who resigned on 30 june. In the Fisheries Ministry, Deputy Javier Labarthe replaces Jose Palomino Roedel.

These will be the only changes in the Cabinet headed by Economy and Finance Minister Luis Alva Castro, in accordance with the tradition of renewing the team of ministers before Independence Day.

The swearing-in ceremony will be held tomorrow, 26 July, in the Golden Hall of Government Palace.

The remaining ministers have been confirmed in their posts. They are:

Minister of the Presidency:	Nicanor Mujica Alvarez Calderon
Interior Minister:	Abel Salinas Izaguirre;
Foreign Minister:	Allan Wagner Tizon;
War Minister:	General Jorge Flores Torres;
Aeronautics Minister:	General Jose Guerra Lorenzetti;
Education Minister:	Grover Pango Vildoso;
Health Minister:	David Tejada de Rivero;
Energy and Mines Minister:	Wilfredo Hayta Nunez;
Housing Minister:	Luis Bedoya Velez;
Transportation and Communications Minister:	Jose Murgia Zannier;
Agriculture Minister: and	Remigio Morales Bermudez;
Industry, Commerce, Tourism And Integration Minister:	Maneul Romero Caro.

Of the original cabinet of 28 July last year, the following ministers, in addition to Luis Gonzalez Posada, have left their posts for different reasons: former Agriculture Minister Mario Barturen Duenas (replaced in January) and former Industry, Commerce, Tourism and Integration Minister Cesar Atala Nazzal (replaced in December). Both were replaced by those who now head their former ministries.

APRA CANDIDATE SHOT IN AREQUIPA 24 July

PY251948 Paris AFP in Spanish 1525 GMT 25 Jul 86

[Text] Arequipa, 25 Jul (AFP) -- The Peruvian Police today reported that one of the three candidates for departmental secretary general of the ruling American Popular Revolutionary Alliance [APRA] was shot yesterday by an alleged execution commando group of the Maoist organization Shining Path. Benjamin Castillo, 65, former municipal councilman and candidate for the above mentioned position in Arequipa, the second largest in Peru, 1,000 km south of Lima, was shot twice, in the neck and in the arm, as he left his residence to go to work, according to the source.

The old-time APRA leader, who had received several threats from the Shining Path, was getting ready to participate on 26 July in the APRA internal elections together with two other candidates.

The attackers, two armed men, escaped swiftly after shooting Castillo in a car that was waiting for them. Castillo was taken to a hospital and underwent surgery, the results of which were still unknown this morning.

Revenge for Prison Deaths

PY262258 Madrid EFE in Spanish 1438 GMT 26 Jul 86

[Text] Lima, 26 Jul (EFE) -- Presumed members of the Maoist Shining Path last night killed Huaycan ruling APRA secretary general Andres Tapia Murillo, 49, in Lima. Tapia and a group of people were at the APRA dining facilities in Huaycan when three youths approached him and shot him in the head three times. According to an eyewitness, the youths told Tapia Murillo "die, APRA dog." Tapia died immediately and his murderers ran away. Some 6,000 low-income families live in the Huaycan neighborhood, which has no police station. Tapia himself lived in a makeshift house.

Married and the father of 8 children, Tapia had taken the responsibility of improving the standard of living of the neighborhood.

After the bloody events in three prisons in Lima and El Callao on 9 June, when mutinies resulted in the death of some 300 inmates charged with involvement in terrorist activities, and Shining Path announced that it would take revenge and that 10 APRA members would be killed for each inmate who died.

On 1 July, in Santa Rosa, Ayacucho Department, two youths stabbed APRA member Enrique Vargas to death. Vargas was a justice of the peace. Later, Victor Gamboa, governor of the Ayachucho locality of Huayllan, and his 16-years old son Liste Gamba were killed in front of the townspeople.

On 7 July in Puno, the capital of Puno department, which borders with Bolivia, APRA member Elias Coasacha was shot dead in his house. He was the dean of an Altiplano university. The day before in the same city, APRA regional secretary general Aquiles Hermosa was shot and seriously injured.

On 4 July in Huancayo, 415 km southeast of Lima, APRA regional secretary of organization Abel Bonett was riddled with bullets.

On 10 July in Canas, 160 km from Cuzco, which is located 1,000 km southeast of Lima, 50-year old APRA member Lino Sayco was killed in bed.

RABANAL WANTS CASE HEARD BY MILITARY COURT

PY251304 Lima Panamericana Television Network in Spanish 0300 GMT 25 Jul 86

[Excerpts] Judge Hernan Saturno Vega, from the 39th court of Lima, today confirmed that he has ordered the arrest of Army General Jorge Rabanal Ortega because of his alleged participation in the murder of more than 100 prisoners in the Industrial Wing of the Lurigancho Prison on 19 June. The judge today said that he has still not been told whether or not the arrest order has been complied with, and that the lawsuit filed against Gen Rabanal is based on Prosecurtor Cesar Girao's report.

Meanwhile, it was also learned that Gen Rabanal raised a jurisdictional question in his case, requesting its transfer from the civilian court to the military court. [passage omitted]

MILITARY COMMAND ON CLASHES WITH SHINING PATH

PY251530 Paris AFP in Spanish 0113 GMT 25 Jul 86

[Text] Lima, 24 July (AFP) -- The Armed Forces Joint Command (CCFA) announced today the death of 18 guerrillas of the Peruvian Maoist group Shining Path in two engagements with the forces of order in Ayacucho Department. One of the engagements took place on 17 July in the area of La Rinconada, north of Ayacucho. A mixed patrol participated in this fight against a group of guerrillas, three of whom died.

The second engagement took place on 22 July, in Chaupimayo, about 500 km southeast of Lima, when an Army patrol discovered a column of Shining Path guerrillas. Fifteen subversives died and five were capture. Two guerrilla camps were destroyed in this confrontation. More than 200 terrorists have died in combat against the forces of order in the last 3 months in Ayacucho, center of the Shining Path insurrection, according to information released by the CNFA.

FOREIGN CURRENCY MARKET SUSPENDED UNTIL 30 JULY

PY251512 Madrid EFE in Spanish 0145 GMT 24 Jul 86

[Text] Lima, 24 Jul (EFE) -- In an official communique, the Central Reserve Bank tonight announced that Peru has suspended foreign currency operations until 30 July. In a brief communique, the Central Reserve Bank has confirmed that the government will maintain the current exchange rate, stating that the decision to suspend operations was made to counter "the spurious reports that are being disseminated by some unscrupulous people." According to the communique issued by the Central Reserve Bank, those people "seek to speculate with the foreign exchange rate quotations taking advantage of the proximity of the presidential address."

Next Monday, 28 July, President Alan Garcia will address the nation on his first anniversary as the head of state. In his address, as is usual, it is expected that he will make a summary of the year and will outline the program for the next 12 months. The exchange rate has been frozen in Peru since Garcia assumed power and the government has repeatedly insisted that it will not change the exchange rate at least until December 1986. Since 28 July 1985, the official exchange rate has been 14 intis per dollar. On the so-called money market, the exchange rate is 17.4 intis per dollar.

PRI DEPUTY RUIZ, COMPANION SHOT TO DEATH

PA271903 Madrid EFE in Spanish 1655 GMT 27 Jul 86

[Text] Mexico City, 27 Jul (EFE) -- Mexican Judicial Police have reported that Demetrio Ruiz Malerva, deputy for the ruling PRI, was shot to death in the town of El Alamo, located in the northern of Veracruz state.

The deputy, chairman of the Radio and Television Committee, was in a van accompanied by farm leader Neftali Estrada Azuuara, who was also killed.

Apparently the two died instantly when several unidentified individuals began firing at the van from a vehicle.

According to preliminary police investigation, the incident took place at 1900 yesterday when Malerva, 45, was accompanying Estrada Azuara to investigate a murder which had taken place a few hours earlier in El Alamo. The murder was attributed to the brother of the farm leader, who owned the van in which the two men were riding.

According to police, the murder could have been a mistake [as received] although the Veracruz authorities have not officially reported the incident.

Demetrio Ruiz Malerva was born in Tuxpan (Veracruz), a town near where he was murdered. During his political career he held several posts in the Mexican Government and contributed editorials to several Mexico City newspapers.

The Veracruz State Government mobilized several judicial officials to investigate the double murder and to punish those responsible for the deaths of Deputy Ruiz Malerva and Estrada Azuara.

Suspects in Murder Named

PA280302 Mexico City Red Nacional 13 Imevision Television in Spanish 0130 GMT 28 Jul 86

[Text] The Alamo police headquarters, in the Mexican state of Veracruz, has reported that there are no results from the investigations that began yesterday aimed at arresting the alleged murderers of PRI Deputy Demetrio Ruiz Malerva and Neftali Estrada Azuara.

However, everything indicates that the attack was directed against Estrada Azuara, who was the counsel for the defense of the one of his brothers, who was involved in the murder of Vicente Rodriquez.

Estrada's brother was released 4 days ago, so it is suspected that Vicente Rodriguez's relatives ambushed Neftali Estrada.

Deputy Ruiz Malerva was in Alamo to visit his radio station, and to attend a wedding with his wife and one of his sons.

Ruiz Malerva's funeral will take place tomorrow at 1000, in Tuxpan.

The office of the Mexican attorney general reported that Miguel Rodriguez and Manuel Rodriguez Franco are considered to be the alleged murderers of Ruiz Malerva and Neftali Estrada.

Leopoldo Castelan Ramirez, the director of the preliminary investigations department of the Mexican attorney general's office, also reported that before dying, Neftali Estrada named his murderers.

Deputy Ruiz Malerva was an incidental victim of the violence caused by supposed family revenge. Miguel Rodriguez and Manuel Rodriguez Franco were the father and the brother of a man who had been killed 1 hour [as heard] earlier.

The attack was aimed at killing Neftali Estrada, with whom the Rodriguez family had old quarrels and affronts.

FINANCE SECRETARIAT BULLETIN ON IMF AGREEMENT

PA260227 Mexico City EL DIA in Spanish 23 Jul 86 p 8

[Press bulletin issued by the Mexican Finance and Public Credit Secretariat on the delivery of Mexico's Letter of Intent to the IMF -- no date given]

[Excerpt] The Finance and Public Credit Secretariat informs that this afternoon, Finance and Public Credit Secretary Gustavo Petricioli delivered to IMF Director-Manager Jacques de Larosiere the Letter of Intent that is based on the economic program designed by President De la Madrid's administration. In this letter, the government explained the actions that are being taken to boost national production and to begin a new stage for a healthy and steady growth in 1987. The secretary of finance and public credit explained the terms of these actions yesterday.

The ceremony was held at the embassy in Washington with the participation of new World Bank President Barber Conable, IDB Executive Vice President Michael E. Curtin substituting for IDB President Antonio Ortiz Mena, who is currently on a working tour of Europe; and International Financial Corporation President William Ryrie.

At the same ceremony, Mexico signed credit agreements for a total of $3,641,300,000. Of this amount, the IMF will grant $1.6 billion in special drawing rights, based on the expanded term agreement [convenio de facilidad ampliada] established with that organization. The first half of the $1.6 billion will be delivered in September 1986, the remainder in 18 months through quarterly deliveries of sums to be determined by the behavior of the Mexican economy and the changes in the oil prices.

Meanwhile, the World Bank promised to finance $2 billion this year. Of this, $698 million will be used in three credits: the first, $500 million, to develop our exports; the second, $150 million, to reorganize the industry; and the third, $48 million, to develop our technology.

Another $700 million will be part of a package that will be submitted to the Executive Directorate; the rest corresponds to credits already authorized for the first 6 months of the year.

In addition, the IDB will grant $41.3 million in credits in two loan agreements that were signed today. They will be used in a program to improve health service in Mexico; this completes the $240 million quota Mexico is entitled to until June 1986.

Petricioli reiterated the content of President Miguel de la Madrid's economic program and its implications, stressing that it necessarily entails an increase in both internal as well as external resources by introducing changes in the mechanisms and intensifying the actions that are already being implemented.

He indicated that the adopted measures will permit a 3 percent reduction of the public sector deficit in relation to the gross domestic product, mainly through the path of strengthening the revenue, progressing with the industrial reorganization, transferring the nonstrategic and nonpriority enterprises from the public sector, and following a selective policy of promoting foreign investment in the exporting sector and the transfer of technology.

Regarding the nonstrategic and nonpriority public sector enterprises, Petricioli said that the process of selling, merging, liquidating, and transfering them is underway and that since the beginning of this administration, 1,155 state-owned enterprises have been reduced to 700.

Referring to Mexico's trade policy, he indicated that it has been changed through, among other measures, the current use of customs tariffs rather than import permits, the decrease in the average value of the tariffs, the promotion of nonpetroleum exports which since 1983 have increased by approximately 57 percent in dollars, and the culmination of the negotiations to have Mexico join the GATT.

"The agreements that we are signing today with the international financial organizations," Petricioli said, "represent, in short, a fundamental phase so that along with the structural change seeking the best efficiency of our economic system within a program of social justice, we can guarantee healthy and sustained development with stability in Mexico for the next few years." "We view the future with optimism. We know that confidence, domestically, has not been lost in Mexico. We are not discouraged. We see with confidence that we can overcome the current problems with the cooperation of the institutions and governments abroad." [passage omitted]

Further on Agreement

PA260244 Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 25 Jul 86

[Report by Claudio Guzman from New York -- recorded]

[Text] Mexico has made public the economic letter of intent, covering the next 18 months, that it presented to the IMF. The document was approved and served as the basis for new financial support for our country. Pedro Aspe, deputy planning and budget secretary and Jaime Serra, deputy revenues secretary of the Finance Secretariat reported on the content of the document.

Four basic principles are specified: 1. The program's goal is to achieve growth. 2. It agreed to rationalize internal expenditures through measures leading to the elimination of inflation and interest rates to define the budget deficit. 3. It agreed to isolate the Mexican economy from the petroleuam shock for 9 months. 4. To apply measures ensuring that new resources will be introduced, mainly to support public investment, if the economy fails to show signs of revitalization by early next year.

In addition, it specifies the strategy to be followed for reducing the fiscal deficit in 1987 by three points in relation to the GNP. This strategy determines a public expenditure policy leading to greater investments, the correction of deviations on the taxable base caused by inflation, and an adjustment of the policy of prices and fares to eliminate subsidies, such as an increase in airfare, to social classes that do not need them. [sentence as hard]

HERNANDEZ SIGNS GATT ENTRY DOCUMENT 25 JULY

PA260407 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 25 Jul 86

[Text] Hector Hernandez Cervantes, secretary of commerce and industrial development, this morning signed the document on Mexico's admission to the GATT. NOTIMEX correspondent Humberto Salgado had the following report from Geneva:

[Salgado] The official ceremony of Mexico's admission to the GATT was held at the organization's headquarters in Geneva, Switzerland. Hector Hernandez Cervantes, secretary of commerce and industrial development, signed the protocol. Following the ceremony, the GATT members -- which began the round of talks in Tokyo during 1979 -- congratulated the Mexican delegation.

The admission will be effective in 30 days, on 24 August; Mexico will become the 92d member to join the GATT. Mexico seeks -- as an eagle which seeks the air currents -- the benefits and rights of this economic reorganization plan as a GATT member. Mexico will also have the possibility of using the GATT's procedures to solve any differences, and will pledge to consolidate its customs duties to a maximum of 50 percent. A lower tariff will be applicable in the case of many imports.

Upon signing the agreement for Mexico's admission to the GATT a few moments ago, Hector Hernandez Cervantes, secretary of commerce and industrial development, commented on the importance of this agreement.

[Begin recording] [Hernandez] President Miguel de la Madrid's government program, specifically his national development plan, has clearly stated two points concerning commerce and industry: the need to review in depth the industry's protection system and to seek progress in industrial reorganization. Mexico's commercial policy during the last 3 and 1/2 years has been aimed at replacing a protection system which was mostly based on [words indistinct] with import licenses, and implementing the tariff system. This has been more or less achieved because 90 percent of the products included in the tariff list no longer require an import permit. This is closely linked with the industrial reorganization process. The new system will allow the country to slowly and carefully expose the industries to foreign competitors, and prepare them to export their products.

[Reporter] Does this mean that [words indistinct] industrial reorganization is possible?

[Hernandez] Industrial reorganization is a term which is being used as events are taking place in many countries throughout the industrialized and nonindustrialized world. In our case it means that it will be possible to use our industrial plants and make them more competitive and efficient as I have already explained to you. The plants will not only work and produce better products at reasonable prics for our internal consumers, but will also participate in the export activities abroad.

[Reporter] Mr Secretary, a new round of multilateral talks will be held in Montevideo in September. What will be Mexico's position on this occasion?

[Hernandez] Well, when we joined the GATT we simply concluded the first phase of an effort to participate in the world's economy. We think that the GATT, with all its defects, is the only instrument available to organize the world's commerce. We will insist at the GATT that certain points must be fulfilled concerning previous programs.

For example, in the 1982 ministerial program the points [words indistinct] no more barriers or tariffs, and I believe that the [words indistinct] simply abolished the existing ones. We must achieve progress in this concern and I think that this progress can be achieved while reviewing all the world commerce and any new topics which might arise in this sector.

[Reporter] To conclude, Mr Secretary, can the Mexican business sector export its products, given the new conditions within the GATT?

[Hernandez] We have already talked about my country's commercial policy, which is well-known in our country and abroad. Regarding your question, I can state that the Mexican businessman, specifically the industrialist, has proved that he is capable of exporting and producing much better articles at reasonable prices for the foreign markets. I believe that the advantages and obligations we have in the GATT give the framework and, in a certain sense, the security needed by the Mexican producers and exporters for their participation in the world markets. [end recording]

DE LA MADRID DEDICATES NEW COMMUNICATIONS SYSTEM

PA261608 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 25 Jul 86

[Text] President Miguel de la Madrid today dedicated in Chetumal, Quintana Roo, the state's social communications system. Fernando Perez Correa, under secretary of government, reiterated that the electronic media should contribute to political and economic independence. Here is a report from Quintana Ruo by correspondent Humberto Mares:

[Begin recording] Speaking in the presence of President Miguel de la Madrid, Government Under Secretary Fernando Perez Correa said that as a part of the educational system, television and radio contribute, without hostilies or exclusions, to the defense of our political and economic independence.

During a working tour of Quintana Roo state, President Miquel de la Madrid inaugurated in Chetumal, the Quintena Roo social communications system which includes television Channel 7 plus [siete mas] and three radio stations. Government Under Secretary Fernando Perez Correa said that in addition to being instruments of culture and education, radio and televsion must extensively and truthfully inform. The government under secretary explained that the president has set those policies and that this is the reason for the extraordinary support that the media have received from the federal executive. Under Secretary Perez Correa also demanded from the licensed [concesionado] electronic communications media that they fulfill their social function within a framework of freedom.

Approximately 700 million pesos have been invested in the Quitana Roo social communications system. Its signal will to a large extent reach southeastern Mexico, Belize, Honduras, Guatemala, and Cuba.

In Chetumal, President Miguel de la Madrid also dedicated a hospital and a library, presided over a meeting on the development of the state, held private meetings with the state private sector, and attended a reception held by local sectors. At 1600, the president traveled to Cancun to continue his working tour. During this tour, the president will dedicate approximately 36 million pesos worth of social projects.

ASSEMBLY PRESIDENT, PARTY LEADERS ON CASTRO VISIT

PA252005 Panama City EXTRA in Spanish 25 Jul 86 p 1

[Text] Camilo Gozaine, president of the Legislative Assembly, has tacitly admitted that Fidel Castro, the Communist Cuban president, will visit Panama on 31 July.

Gozaine, who is a high-ranking PRD [Democratic Revolutionary Party] leader, added that "as a neutral country, I think Fidel Castro's visit will be beneficial because he will be able to learn the true nature of the Panamanian people who are convinced that communism will never come to Panama."

For his part, Cleto Souza, leader of the (Communist) People's Party, said they "do know... about Fidel Castro's forthcoming arrival... and feel happy about his presence in our land."

According to Souza, the invitation to the Caribbean Communist leader represents a show of "gratitude" by the Defense Forces for Castro's favorable comments on General Noriega following the charges raised against Noriega through the U.S. press.

Another factor that may have contributed to Fidel Castro's visit is the identification of the Panamanian Government... and the position of the Cuban Government of defending the developing countries," Souza remarked. [sentence as published]

However, Virgilio Arauz, leader of the Workers Socialist Party [PST], said the PST "is worried about the visit," because its purpose is to support the policy of a regime that is identical to the Batista dictatorship, which Castro fought to overthrow.

Ministry Denies Castro To Visit

PA262047 Panama City ACAN in Spanish 2015 GMT 26 Jul 86

[Text] Panama City, 26 Jul (ACAN-EFE) -- In a communique today the Panamanian Foreign Ministry officially denied that Cuban President Fidel Castro will visit the country.

The report was published this week by an opposition newspaper in the capital. The report cited sources in the official government party, the Democratic Revolutionary Party, but did not identify the sources.

The official Foreign Ministry communique says the Panamanian Government "has no plans and does not expect the arrival of any president or any head of state in the near future."

"The Foreign Ministry rejects the practice of inventing such reports without confirming them or without attributing them to government sources."

According to the newspaper, Castro was to arrive in the country to attend the events commemorating the 5th anniversary of Omar Torrijos' death.

Torrijos, head of the 1968 Panamanian revolution, was killed in an airplane accident on 31 July 1981. The government and the military have prepared several events to remember the leader.

DUARTE, CEREZO ANXIOUS' OVER U.S. AID TO CONTRAS

PM251214 Paris LE MONDE in French 19 Jul 86 p 4

["M.L." report: "Salvadoran and Guatemalan Presidents 'Anxious,' Bernard Stasi Reports"]

[Text] The increase in American aid to armed opponents of the sandinist regime is not unanimously supported by Central American countries, even those enjoying the best relations with Washington. This observation was made by Bernard Stasi, Social Democratic Center deputy for Marne, during a recent visit to El Salvador and Guatemala. In different ways, the two countries' presidents, Messrs Duarte and Cerezo, did not conceal from the French parliamentarian their "anxiety" about the growing U.S. involvement in the region.

The Salvadoran head of state, Mr. Duarte, is particularly afraid that the policy pursued by President Reagan could result in a military "escalation." This is apparently what he told Mr. Reagan's special envoy to Central America Philip Habib during the latter's recent stopover in San Salvador.

Taking Nicaragua's economic difficulties into account, Mr. Duarte does not rule out the possibility that the new pressure to be exerted on Managua in the months ahead will result in a collapse of the Sandinist regime. However, he rejects the possibility of a "military solution" to the problem posed by the existence of a Marxist government in Nicaragua. He fears that in response to the increased financial support granted by the Americans to the Nicaraguan contras the Sandinists will supply more weapons to the Salvadoran guerrillas. From this viewpoint, Mr. Duarte believes, the aid to the contras risks becoming "a factor of radicalization" in the region.

A similar exacerbation of the situation seems all the more likely inasmuch as the Sandinist government has now "swung" into the Marxist camp, according to Mr. Duarte.

This pessimism is not entirely shared by Guatemala, where the Nicaraguan threat is perceived less sharply. President Cerezo, who has been in power since the beginning of the year, still believes in the peace efforts of the Contadora group (Panama, Mexico, Colombia, and Venezuela.)

Perhaps he pins even more hopes on the plans for the unification of Central America, which could be a way of integrating Nicaragua into this community of nations. The meeting at the end of May in Esquipulas in southeastern Guatemala) of five Central American heads of state, including Nicaragua's Commander Ortega, illustrates this policy. The participants at the meeting spoke in favor of the creation of a joint parliament.

El Salvador and Guatemala are looking toward Europe to detach themselves, if only a little, from overly exclusive relations with the United States. According to Mr. Stasi, Paris, which has helped Nicaragua greatly in recent years, should reappraise its policy and devote more attention to the young democracies of El Salvador and Guatemala, which are grappling with major economic and political difficulties.

Such a move would be welcomed by these two countries, which deplore a certain "lack of interest" in them on Europe's part. President Cerezo is due to visit Europe this fall - he will be in France in October -- to plead this case.

COSTA RICA

NICARAGUA HELD RESPONSIBLE FOR 26 JULY ATTACK

PA262203 Paris AFP in Spanish 1316 GMT 26 Jul 86

[Text] San Jose, 26 Jul (AFP) -- The Costa Rican Government reported today an "attack with mortars from Nicaraguan territory" against its border post in Boca de San Carlos, located along the bordering San Juan River.

Public Security Minister Hernan Garron said that the attack with mortars -- which caused no casualties -- occurred yesterday at 1530, affecting the areas near the Civil Guard's detachment located approximately 300 km north of San Jose, in the sector where the San Carlos River joins the San Juan River. Garron did not clarify whether the attack was perpetrated by Sandinist soldiers or by guerrillas or "contras." However, he stressed that "the Nicaraguan Government is responsible for the incident, because the attack came from that country." Garron added that he will report the incident to the Foreign Ministry, which will decide if it warrants a protest note to the Managua Government.

DELEGATION LEAVES FOR WASHINGTON, TO MEET SHULTZ

PA272056 Panama City ACAN in Spanish 1521 GMT 27 Jul 86

[Text] San Jose, 27 Jul (ACAN-EFE) -- It was reported in government circles that a high-level mission of Costa Rican officials traveled to Washington today to meet with U.S. Government officials. The Costa Rican delegation is made up of Vice President Jorge Manuel Dengo, Foreign Minister Rodrigo Madrigal Nieto, and Presidency Minister Rodrigo Arias Sanchez, who is the president's brother.

The delegation will begin a number of meetings tomorrow with representatives of the Ronald Reagan administration, including U.S. Secretary of State George Shultz. It was reported in official circles that the topics to be discussed include peace talks in Central America, Costa Rica's economic situation, and a possible visit by President Oscar Arias Sanchez to Washington this year, at an as of yet unspecified date. Jorge Manul Dengo remarked yesterday that during the arranged meetings they will work with an "open agenda" to basically analyze Costa Rica's economic problems for this year and the next one, as well as its need for financial assistance. Costa Rican Treasury Minister Fernando Naranjo and Central Bank Executive President Eduardo Lizano will join some of the meetings. They are in Washington negotiating the signing of a contingency agreementwith the IMF.

EL SALVADOR

DUARTE DISCUSSES KIDNAPPING, DEBATE PROPOSAL

PA261432 San Salvador Canal Doce Television in Spanish 0300 GMT 25 Jul 86

[Passages within quotation marks recorded]

[Text] President Jose Napoleon Duarte appeared at the Legislative Assembly to request permission to leave the country for 17 days beginning 5 August. He told the assembly that he will travel to Colombia and the Dominican Republic to attend the presidential inauguration ceremonies in those two countries.

Speaking to journalists, Duarte denied any plans to meet with the guerrillas during his trip. He said, however, that he has seen them at other times, even on board the aircraft in which he was a passenger.

[Duarte] "Every time I fly, Ungo and Zamora show up and engage me in conversation. I have talked to them several times without any trouble but in an informal way. No plans to talk with them have been made, and I have not assumed any particular stance. I have met them on board planes a number of times. They have even boarded my plane. Of course, I try to be courteous and greet them all. If they talk to me, I talk to them. We must keep in mind, however, that I speak to them informally and not as the head of state."

Concerning the guerrillas' proposal to exchange Colonel [Omar Napaoleon] Avalos for labor leaders who have been detained, Duarte said an attempt has been made to legitimize abduction.

[Duarte] "They have kidnapped a human being. The least that they can do is act humanely and set him free. Their proposal for negotiations is something else. We must stress, however, that they want to legitimize kidnapping. This is not right. I have received no information on their possible proposal, but we have always advocated humanitarianism. We have released a number of people without anyone asking us to do so. For example, the other day I personally released a female union leader [words indistinct] without anyone asking me to do so."

Duarte also referred to Roberto Viera's suggestion of talking with the guerrillas in Nicaragua.

[Duarte] "I want to make clear that what Viera has proposed illustrates what could be done in the way of a debate that would make sense in Central America. The media are in the process of being closed in Nicaragua. The debate was conceived with a great propaganda fanfare to abuse El Salvador's media and to profit from this abuse. Conversely, in Nicaragua -- another friendly Central American nation where democracy should flourish -- LA PRENSA has been crushed and the people's will and freedom of expression has been curtailed. All this shows how bad totalitarianism is."

Asked about Msgr Romero's case, Duarte said that, as long as he is president of the republic, the efforts to investigate Msgr Romero's death will continue.

[Duarte] "I have heard some rumors that the attorney general wanted to close the Romero case. I will continue the investigation as long as I continue to be president. I must find out who the guilty party is. If I find some clues... [changes thought] if I cannot do it through the legal process because the attorney general objects, I will do it publicly. I will report my findings publicly. I will not permit this kind of crime to continue to be perpetrated in this country, just as I have not permitted kidnappings and continue to struggle against them. Despite all the legal tricks that might be invented, I will keep investigating."

Regarding the case of the Free Fatherland Party, Duarte criticized the objections raised against a political party that wants to participate in democracy.

[Duarte] "I feel that if we are a democratic party, we should provide an opportunity for all parties to register. If a party like this -- which might be described as a rightist party -- is encountering obstacles, what would happen if we achieve peace and want to let the leftist parties be registered, including the Communist Party? The obstacles that these gentlemen want to raise against these parties are unfair. This does not contribute toward democracy and peace. I oppose this stance that precludes the continuation of the democratic process. They have been playing tricks. The logical thing is for the parties to be registered and not to raise obstacles against any one."

VICE PRESIDENT ON C.A. PARLIAMENT, CONTADORA

PA260352 San Salvador Radio Cadena YSU in Spanish 1800 GMT 24 Jul 86

[Report on news conference with Vice President and Foreign Minister Rodolfo Castillo Claramount with unidentified reporters at the Legislative Assembly in San Salvador; date not given]

[Text] [Begin recording] We plan to hold a meeting on the formation of the Central American parliament. This meeting will be held on 13 August, at which time we will form a commission made up of the foreign minister, deputy foreign minister, and three parliamentarian representatives from each of the five countries; in all, 25 people.

[Reporter] We have learned that El Salvador has already designated its three representatives to the Central American parliament. Have other countries does likewise?

[Castillo Claramount] Not three, but five. Myself, of course, and Dr Acevedo, the deputy foreign minister, will attend this meeting. The assembly has not given us the names of the deputies who will also form the delegation. In addition and even more important, we are presently considering and analyzing a proposal introduced by Guatemala. This document is somewhat superficial and weak I would say, but we are working on it. Now we only need the participation of the deputies so that a national request can be presented. The idea is not for the Foreign Ministry to present a stance and the assembly another. No. We must reach a consensus regarding the parliament's (?formation), its organization, operation, etc. and the type of treaties that this parliament will agree on.

[Reporter] What can you tell us about Contadora?

[Castillo Claramount] As I mentioned some moments ago and at other times, we feel that Contadora has not exhausted its mediating mission yet. We feel it should continue its mission. We are concerned over what has just occurred in Caracas. The Contadora deputy foreign ministers met to receive decorations, but no decisions, measures, invitations, or initiatives took place. Nothing. We thought there would be some type of statement. This is worrisome. We have been doing our part on the Central American level, namely, trying to conclude the points in the act that were still pending. We feel, however, that Contadora has much to do. We also feel some acted in undue haste in Panama City. The Central American presidents had set 6 June as the date for the Contadora Group to complete the discussion of the remaining points. Unfortunately, the four Contadora countries made up their minds in Panama City to present an incomplete draft act, and they did this unilaterally, without ever taking the Central American countries into consideration. This draft does not meet our requirements and purpose. This is why we cannot sign it. [end recording]

Castillo Claramount said that the creation of the Central American parliament does not aim at replacing the Contadora Group, although some far rightist sectors would be happy to see Contadora disappear.

1. The government's reply proposing that the debate be held at the offices of the Nicaraguan daily LA PRENSA is making fun of and shows total disrespect for the Salvadoran people. When proposing the public debate, the FDR-FMLN are talking seriously, as the Salvadoran people have a right to know and thoroughly evaluate the justness of the principles and proposals of each one of the parties involved in the war. The officers, noncommissioned officers, and soldiers of the Armed Forces, as well as the FMLN commanders and fighters who are currently on the firing line, have a right to confront the ideas for which they fight and die. Dozens of thousands of dead, hundreds of thousands of refugees and displaced people, thousands who have been crippled by the war, broken homes, unemployment, hunger, and surrender of our national sovereignty as never before in the history of our homeland make up a picture of profound crisis seriously affecting all Salvadorans. In the face of this dramatic situation, it is inconceivable for the government to reply in such a grotesque and clownish manner to the need to confront ideas and political positions as a means to find the path toward the peace that our people so desperately want. The reply is just a coarse service to Reagan's interventionistic policy in Central America.

2. In a demagogic way, and because it was a necessary part of its maneuver, the government did not reject the realization of the public debate and the topics we proposed for the debate -- it only modified its stance in accordance with its own political discourse. The only difficulty mentioned by the official spokesman for holding the debate in El Salvador was the government's fear for the popular mobilizations in support of the democratic and revolutionary project. The fact that Duarte's government is afraid or terrified about the possibility that the people may mobilize or express themselves shows that he admits his lack of support, his isolation, and his antipatriotic and antipopular nature.

3. It is evident that the proposal for a public debate has stirred up great interest in broad sectors of the nation, and the government cannot ignore this demand or evade it, making fun of the people. The FDR-FMLN demand seriousness from the government and reiterate the following:

A. The need to hold the debate in national territory.

B. Their willingness to declare a 48-hour cease-fire to facilitate the debate.

C. Our fronts will be represented by our companeros, FDR leaders Guillermo Ungo and Ruben Zamora and Companeros FMLN Commanders Joaquin Villalobos and Shafik Jorge Handal.

D. It is demanded that the government be represented in the debate by President Duarte, Communications Minister Rey Prendes, Defense Minister Vides Casanova, and General Adolfo Onecifero Blandon, chairman of the Joint Chiefs of Staff.

[Signed] FDR Executive Committee

FMLN General Command

Calles on Debate, Dialogue

PA262035 San Salvador Radio Cadena YSKL in Spanish 1800 GMT 26 Jul 86

[Telephone interview from Mexico with Eduardo Calles, "representative of FDR president" Guillermo Ungo, by unidentified reporter; date not given -- live or recorded]

[Excerpts] [Reporter] Mr Calles, regarding the public debate proposed by the Salvadoran Government, what is the view of the FDR?

[Calles] Our fronts, the FDR-FMLN, have issued a communique to the Salvadoran people dealing with that . [passage omitted repeating communique]

[Reporter] Would the FMLN-FDR be willing to hold the third dialogue somewhere other than Managua?

[Calles] The way that the issue of the third meeting has been handled shows the ambiguities of Mr Duarte. He proposed a third meeting in the national territory and at the highest level, stating that he would attend it. We publicly replied and proposed a date within meeting had been agreed upon. Later, and as a demonstration of Mr Duarte's fear in confronting reality and the truth in front of the people, he has tried to evade this with a series of incoherent mechanisms, proposing prior meetings and postponing the third meeting to which he had already agreed, so as to not really have to face it.

In truth, we do not disagree with the mechanism of prior private meetings in the interior, but we essentially insist that the third meeting be in front of the people and the nation so that they can clearly see the positions of both sides involved in the conflict. We demand that this third meeting be held. We think that this third meeting is important in one sense: to reaffirm the political willingness to give continuity to the dialogue because our conflict will not be resolved in just one dialogue. It demands a continuous process of negotiations as was stated in La Palma. Therefore, it is necessary that at the highest level in this third meeting we reaffirm that willingness to give continuity to dialogue and to seriously seek a political solution. Prior meetings could come later. [sentence as heard] Our stance continues to be that it be held in the interior of the country, but if at some time a meeting abroad is necessary, we would not reject it. However, regarding this third meeting, our position is firm due to the previous reasons that I mentioned.

[Reporter] Yesterday this station received a videotape with a statement by Colonel Omar Avalos [who is held prisioner by the FMLN] who gave his view about the possible release of political prisoners in exchange for his release. Is this proposal by the rebels endorsed by the high-ranking leadership of the FMLN-FDR?

[Calles] Absolutely. This is more evidence of the goodwill of our fronts. We think that evidence of goodwill must be given and that we must advance toward detente so as to give way to such processes as the debate and dialogue. This is a serious proposal that is supported by the leadership of both fronts and that seeks to ease tensions. It also has a humanitarian aspect. As you heard in that tape, Col Avalos really feels abandoned and ignored. He is a prisoner of war and has been treated in a humanitarian way in every way, but in any case he feels abandoned and forgotten, even by the Armed Forces.

In addition, there are political prisoners of both fronts. There are also imprisoned union leaders who have been accused of being linked to our fronts because they have demanded their rights. We think the proposal has a double benefit in the humanitarian area: the release of a war prisoner who feels he has been forgotten by his own people, and, for our part, the rescue of some political prisoners and the release of some union leaders whose only crime is to struggle for their rights.

[Reporter] I understand that you have been outside of our country for some time, but you are watching our situation. As an FDR leader, how do you view the country's sociopolitical and economic situation?

[Calles] It is evidence that the country has been unable to meet the demands and needs of its majorities. it was able to form a pact. Raising certain hopes about a political solution and the advance of reforms, he [Duarte] was able to enter into pacts with certain important social forces of our country.

However, that pact was quickly broken because Mr Duarte did not have the capacity or disposition to keep the promises or make the dreams of those sectors come true. Therefore, these sectors reported the break of the social pact.

The Duarte administration is a failure. It is a failure in many senses. As someone once said, Duarte is merely the manager of the U.S. Administration's counterinsurgency project. However, regarding the economic aspect, it is evident that the crisis becomes worse as the days go by.

The Salvadoran people, the workers, the employees, and so forth are experiencing the harshness of this economic situation. The measures Duarte tried to implement in the economic field cannot stabilize and much less reactivate the country's economy. On the contrary, this economy has been shrinking and becoming further deteriorated. All it has done is to increase the burden on all the Salvadoran sectors. What do we observe at this time? A greater isolation of the Duarte Government. We view a greater weakness on the part of this administration.

In his role as a manager, Duarte has limited authority in the face of the capitalistic and oligarchic sectors. He has limited authority regarding the Army. He also has a limited decision-making capacity regarding the U.S. Administration, which is ultimately the one making the most important decisions in our country's political, military, and economic matters.

In effect, it is a [word indistinct], and pardon me for the term, of the Duarte Government, and this is increasing. It is also becoming increasingly isolated. However, within the framework of this situation, we observe an aspect that is very positive. We see an awakening in all the sectors. We see that all the sectors are becoming aware of the fact that Salvadorans must actively assume the search for a political solution. We hear very important expressions in this regard. We have heard the expressions of small- and medium-sized businessmen and various labor, peasant, and professional sectors that demand this. There are also political sectors that are willing to look for, jointly, a political solution.

It is true that we differ on certain issues, but we recently made a 6-point proposal that is not the last word, as we said. We are willing to talk about this and discuss it with everyone. However, we do believe that the Salvadorans are already seriously assuming our active role in the country's political solution. This solution, we think, will be found despite Duarte. It must be found by Salvadorans without the interference of the U.S. Administration.

[Reporter] On various occasions, Radio Venceremos has criticized the actions of the Catholic Church in the dialogue with the rebels. What is your position, as FDR president, on the efforts that the Catholic Church is making in this regard?

[Calles] I must clarify something: I am one of the FDR vice presidents. Companero Guillermo Ungo continues to be the president. Regarding the church, we have never ignored Msgr Rivera's mediating role. We continue to respect him. We continue to think that the church must play an important role. We feel that it has sufficient moral authority to play this role, and we have always respected the church's mediating role. It has been the government which has truly disrespected that role.

In fact, in [government spokesman Roberto] Viera's most recent communique he ignored Msgr Rivera and proposed Cardinal Obando y Bravo as the mediator of our conflict. He is thus ignoring the church.

First, we expressed our respect. Second, we also want to say that certain church spokemen have made some mistakes regarding the dialogue. They made statements that move the church away from its role as mediator. We have made calm remarks about this. At the FDR, we have publicly stated that we have not agreed exactly on the form in which certain remarks have been made.

However, when the two fronts have issued an official communique, our observations have been made in a cautious way, clearly pointing out what the church's role has been and complaining about that which seems incorrect to us.

So, we are not thinking of making our relations with the church tense, because it must play a very important role for all Salvadorans. We also want to praise the good moves made lately. In fact, Msgr Rosas Chavez has made important and positive observations about the dialogue. We also recognize that which is positive. Therefore, we reaffirm our willingness to accept the church's mediation. We don't agree on the way in which certain statments are made, but they have not been official statements. Our official statments have been clear and have been expressed through communiques signed by the FDR Executive Committee and the FMLN General Command. We feel that we must tell the church when it is affecting the dialogue process, but we also recognize its positive aspects.

TV STATION AIRS FMLN RECORDING OF COLONEL AVALOS

PA260211 San Salvador Canal Doce Television in Spanish 1900 GMT 25 Jul 86

[Text] We received a video tape from the FMLN a few minutes ago. The videotape is of the kidnapped Colonel Omar Napoleon Avalos. Due to its importance, we present it herewith.

[Begin recording] I am Col Avalos. I was captured by the FMLN on 25 October 1985. I have been held prisoner of war since then. I have been treated respectfully and given food and medicine as necessary. I have not been pressured, either physically or psychologically, at any time. I was civil aeronautics director general at the time I was captured. No one has visited me during the past 9 months. My captors told me that when Msgr Rivera y Damas visited Chalatenango, they invited him to visit me, but they received no affirmative answer, although this invitation was presented to him both publicly and in private. Yet I am still awaiting this visit. I hope the monsignor will comply.

The FMLN has also reported to me that it has captured and is holding prisoner several disabled guerrilla combatants who had been evacuated by the International Red Cross from several areas in conflict. This has worsened my situation. The FMLN has also told me that, in the context of the preparation of a possible third meeting for a dialogue, they have proposed to Duarte and the Armed Forces high command that, as a goodwill gesture, leaders and rank and file members of unions who have been captured be released. The FMLN pledges to release me immediately afterwards. I ask you, Mr President, and Armed Forces members, particularly my classmates and members of the Salvadoran Air Force, to consider my situation and that of my family, because I have remained loyal to our principles.

I want to greet them all, particularly my mother, my beloved children, and my beloved wife. I want to tell them that I have received their letters and pictures, which have made me very happy. I want to ask Lili, my wife, to bless our youngest child in my name. El Salvador, 23 July 1986. [end recording]

GUATEMALA

CEREZO TO ATTEND BALAGUER INAUGURATION

PA251942 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 24 Jul 86

[Text] Today, a new trip by President Vinicio Cerezo Arevalo was announced. The president will go to the Dominican Republic to attend the inauguration of President-elect Joaquin Balaguer. The Foreign Ministry made this announcement this morning.

CEREZO WILLING TO MEET BELIZEAN DELEGATION

PA262320 Guatemala City EL GRAFICO in Spanish 25 Jul 86 p 3

[Text] Guatemalan President Vinicio Cerezo said that if a Belizean delegation comes to Guatemala and requests a meeting with him, he will be very glad to meet with them. The president added that if the Belizean delegation comes to the country, as has been announced, to talk to him, he will listen to them. The president spoke about the existing disagreement between Guatemala and the UK regarding Belize. He said that there is some confusion over this matter. President Cerezo clarified that Belize has nothing to do with the possibility that diplomatic relations will be established with the UK. Guatemala's disagreement is with the UK, the president added. He said that the UK caused the problem.

President Cerezo also mentioned the meeting of foreign ministers held in Tegucigalpa, Honduras, to which Guatemala was not invited. He said that it is possible that the other foreign ministers may have thought that our country's presence at this meeting was not necessary; therefore, we were not invited. However, Guatemala was invited to a meeting to be held in El Salvador, and we have accepted the invitation. Cerezo added that our country's neutrality also means that we must be attentive to the possible solutions being found for the pacification of Central America.

Another matter discussed by President Cerezo was the Amoco case. Amoco is a U.S. company that carries out surface explorations (seismic testing) in the northern area of Huehuetenango Department and recently began similar work in the northern area of Quiche Department. The president believes that Amoco will leave not only because of harassment on the part of the guerrillas but also because of other reasons. However, Cerezo said that the subversive activities are not only affecting the oil companies, but the country and the workers as well. The president feels that no one wishes to harm the country. President Cerezo said that talks are underway with Amoco because the company has contracts signed with the government that must be respected and that it cannot leave at a moment's notice and without further explanations.

HONDURAS

U.S. INSTALLATIONS ALERT FOR POSSIBLE TERRORISM

PA271749 Panama City ACAN in Spanish 1636 GMT 27 Jul 86

[Excerpt] Tegucigalpa, 27 Jul (ACAN-EFE) -- Today the Pentagon ordered all U.S. diplomatic offices and civilian and military installations in Honduras to establish a maximum security alert due to the fear of terrorist attacks.

The U.S. Embassy and Consulate, which are located 50 meters from the Honduran Foreign Ministry, have become the most heavily guarded installations in Tegucigalpa.

In addition to the Marines, who guard the U.S. Embassy, there are now private guards armed with revolvers and sawed-off shotguns; they are also equipped with communications equipment. Also guarding the embassy are regular Honduran policemen with automatic rifles. Likewise, civilian agents are discreetly guarding the installations, and the iron doors at both the embassy and the consulate have been closed electronically. These doors are opened only to people who have been fully identified. They are then thoroughly searched and checked with a metal detector.

Other U.S. civilian installations are being guarded in a discreet way, but noticeably, as the Honduran police have patrol cars nearby so that, if necessary, they can carry out a pursuit. Orders have been sent directly from the Pentagon to U.S. military installations in Honduras prohibiting officers, noncommissioned officers, and soldiers from visiting urban areas, unless they are on a specific mission.

U.S. military personnel stationed in urban areas have received orders to be on the alert at their homes and to not visit night clubs or public events as a precautionary measure. Despite the secrecy of the orders, they have been spread by sources close to the Americans. The sources told ACAN-EFE that "the American military men will be compelled to remain in their quarters until the terrorist attack last Wednesday night in Tegucigalpa has been fully cleared up." [passage omitted]

FOREIGN MINISTRY ADVISER ON FERCH REMARKS

PA251845 Tegucigalpa LA TRIBUNA in Spanish 24 Jul 86 p 7

[Excerpt] Yesterday, Foreign Ministry adviser Roberto Suazo Tome said that no ambassador sent by the U.S. Government can come and give orders to Honduras. Suazo Tome commented on the recent remarks made by the former U.S. ambassador, John Ferch, on the intention of the United States to send an ambassador who will give orders and say how things will be done in Honduras. Suazo Tome repeated: "No one can come here to give orders to a government legitimately elected by the people." Nevertheless, he admitted that U.S. ambassadors do have some influence. He added: "The fact that an ambassador has some influence in a country does not mean that he can come and give orders. Ambassadors from all countries try to influence governments; however, they cannot give orders." [passage omitted]

Regalado Views Remarks

PA251614 Tegucigalpa LA TRIBUNA in Spanish 24 Jul 86 p 7

[Text] Yesterday, General Humberto Regalado, chief of the Armed Forces, said: "The solution to the Nicaraguan problem is political and not military." He added: "Honduras will not be a springboard to overthrow any government in the area." Gen Regalado made this remark in reference to the declarations by former U.S. Ambassador to Honduras John Ferch, who said that the Reagan administration "seeks a military rather than a diplomatic solution in Nicaragua."

Ferch, who was unexpectedly removed from his post at the end of June 1986, before completing a year in office, told the U.S. press that after the millions in aid to the contras, "the next step would logically be a large scale military operation."

Gen Regalado disagrees with the Reagan administration position: He said: "I believe that the solution to the Nicaraguan problem is political rather than military." Following the approval of the $100 million in aid for the contras, President Jose Azcona said that with the aid, the rebels should get out of Honduras and fight in Nicaraguan territory. Gen Regalado agrees with President Azcona and from this point of view, he regarded the aid for the contras as "positive," because in this way the contras will have to abandon Honduras. Asked whether or not Honduras opposed any armed action against Nicaragua, Gen Regalado said: "Definitely. President Azcona has openly said that Honduras will not be a springboard to overthrow any government in the area."

NICARAGUAN EMBASSY TO RECEIVE 'SPECIAL PROTECTION'

PA251903 Paris AFP in Spanish 1809 GMT 25 Jul 86

[Text] Tegucigalpa, 25 Jul (AFP) -- This morning, a Honduran Foreign Ministry official told AFP that the Honduran Government will provide a special protection to the Nicaraguan Embassy in response to a request the Nicaraguan Government made on Thursday, in the wake of alleged threats by anti-Sandinist forces. FDN members blamed the FSLN and the Nicaraguan Embassy in Honduras for last night's attack against a house in this capital in which 50 anti-Sandinists and, reportedly, the FDN general staff were meeting. The Nicaraguan diplomatic mission rejected the charges.

This morning, a Honduran Foreign Ministry official said that although Nicaragua's request "had not yet been received," "any time an embassy requests special guarantees, the state does not refuse." He explained: "In cases like these, it is customary to provide the protection, because this is one of the government's norms of courtesy and understanding toward the diplomatic missions."

Moreover, a Nicaraguan Embassy spokesman told AFP that "we expect to receive the protection, because at present only one person is watching the embassy's entrance, and that is not sufficient." The source reiterated that the FDN accusations represent "in some way a danger to the security of the embassy and its officials and employees, and that is why the protection was requested."

GOVERNMENT PROTESTS ORTEGA 19 JULY REMARKS

PA251541 Panama City ACAN in Spanish 1500 GMT 25 Jul 86

[Text] Tegucigalpa, 25 Jul (ACAN-EFE) -- Today, the Honduran Government protested to Nicaragua for the remarks made by President Daniel Ortega Saavedra during a speech he gave in the city of Esteli on 19 July. During the ceremony to mark the 7th anniversary of the triumph of the Sandinist revolution, Ortega invited Honduran President Jose Azcona Hoyo and Costa Rican President Oscar Arias Sanchez to implement an effective democracy and not to order peasants seeking lands "to be pushed back at gunpoint or even be killed."

The note stated that the Honduran Government had appointed a top Foreign Ministry official to be its representative at the ceremony, and that, therefore, when the president of that country "referred to Honduras in detrimental terms, he not only disregarded the elementary norms of courtesy and hospitality, but expressed feelings that are at odds with previous declarations of good will towards our country." The Honduran Foreign Ministry "reiterates its policy of maintaining a system of talks and respectful communications with the Nicaraguan Government, although it frequently does not receive signs of reciprocity, as is now the case."

NICARAGUA

ORTEGA GREETS CASTRO ON MONCADA ANNIVERSARY

PA260404 Managua Domestic Service in Spanish 0300 GMT 26 Jul 86

[Message to Cuban President Fidel Castro from President Daniel Ortega -- date not given]

[Text] Cuba commemorates the 33d anniversary of the attack on the Moncada garrison today. This heroic act shook the foundations of dominance in our America. Moncada was the revived bugle call of Bolivar, Marti, and Sandino that, with Fidel, ratifies the will for struggle of the Latin American and Caribbean peoples. Thirty-three years after the Moncada action,, Cuba is the firm trench that has resisted and won against the imperialist aggression. Thirty-three years after Moncada, Cuba has firmly identified with the peoples of the world who are struggling for their liberation against colonialism and apartheid, in a clear example of revolutionary internationalism.

The FSLN and the Nicaraguan Government and people, who have experienced the Cuban people's generous solidarity, greet you,, dear Companero Fidel, the party, and the Cuban people and government during the commemoration of the 33d anniversary of the Moncada. At this time when the Reagan administration is again stepping up its aggressive actions against Cuba and is approving new terrorist actions against Nicaragua, the spirit of the Moncada combatants is present in this shared struggle against the imperialist aggression.

[Signed] Your brother, Daniel Ortega Saavedra

ORTEGA LEAVES FOR NEW YORK, TO ADDRESS UN

PA261647 Managua International Service in Spanish 1630 GMT 26 Jul 86

[Communique No 25 issued by the Nicaraguan Presidency's Information and Press Directorate in Managua on 26 Jul]

[Text] The Information and Press Directorate of the Presidency of the Republic informs the Nicaraguan people of the following: This morning, Commander of the Revolution Daniel Ortega Saavedra, companero president of the republic and coordinator of the Executive Commission of the FSLN National Directorate, left for New York where he will address the UN Security Council. President Ortega will appear before the UN Security Council on Tuesday, 29 July, to issue a call for calm and reflection so that the ruling of the International Court of Justice be taken into account.

Managua, 26 Jul 1986

Twenty-five years later, all weapons against aggression!

MORE ON EMBASSY SECURITY REQUEST TO HONDURAS

PA251343 Managua Radio Sandino in Spanish 1230 GMT 25 Jul 86

[Text] The Nicaraguan revolutionary government, through its Foreign Ministry, asked Honduras last night for the necessary guarantees for the Nicaraguan Embassy and its staff accredited in that country, following the attack against Somozist chieftains perpetrated by a group of unidentified persons.

Oscar Tellez, the director of the Central American and Caribbean Department of the Foreign Ministry, said that members of the staff of the Nicaraguan Embassy in Tegucigalpa had received threats from the Somozists who roam Honduras and who plan the criminal actions against the Nicaraguan people from that country.

Tellez remarked that the attack against the Somozist chieftains could be construed as part of the political plans of Yankee imperialism to aggravate relations between Nicaraguan and Honduras. The Nicaraguan stance must be viewed as one of peace with Honduras, although the government of that country has decided to side with the Yankee imperialists and their mercenaries, bringing bloodshed to our territory.

SALVADORAN DEBATE PROPOSAL SEEN AS 'POLITICAL SHOW'

PA251812 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 25 Jul 86

[Text] The Salvadoran Government agreed today to hold a public debate with the guerrillas as long as it takes place in Managua. The Salvadoran revolutionary forces have twice proposed that a public debate be held; it would be broadcast on radio and television to the entire country. The Salvadoran Government rejected the first proposal, alleging that the purpose was to stage a propaganda show. The government responded to the second proposal by stating that the debate should take place in Managua.

Political observers feel that the Salvadoran Government's objective is to eschew having a public debate in front of its people, because it fears an outpouring of public support for the FMLN-FDR revolutionary alliance, as happened in the La Palma and Ayagualo meetings in 1984. Moreover, it was noted that this coincides with the U.S. strategy of linking El Salvador's problems to external solutions.

The observers say that in this respect, the objective of transferring the political show from San Salvador to Managua is clear.

SHIPMENT OF GDR TRUCKS ARRIVES AT CORINTO PORT

PA250454 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 24 Jul 86

[Text] The merchant vessel Meyenburg arrived at the Corinto Port from the GDR with a shipment of 24 trucks obtained through a line of credit with that country. The trucks will be assigned to the Nicaraguan Institute of Energy, to resolve the current transportation problem in that institution.

FSLN'S RUIZ PAYS OFFICIAL VISIT TO VIETNAM

For reportage on the official visit to Vietnam by the Henry Ruiz-led FSLN delegation, including their arrival on 24 July and their talks with a delegation of the Vietnamese Communist Party and Government led by Dong Sy Nguyen, vice chairman of the Council of Ministers, on 25 July, see the Vietnam section of the 25 July Asia & Pacific DAILY REPORT and subsequent issues.

CARDENAL INTERVIEW ON REAGAN, CHURCH ROLE CITED

PA251914 Managua Radio Sandino in Spanish 1750 GMT 25 Jul 86

[Text] Nicaraguan priest and poet Ernesto Cardenal has said in Havana that the God U.S. President Ronald Reagan claims to believe in is false, because the real God is the God of the poor.

In an interview published by GRANMA today, the Nicaraguan culture minister said the enemy of the alliance between God and the Nicaraguan people has a name: U.S. imperialism, which is carrying out an undeclared war against our country.

Reagan considers himself to be religious and believes that God is his ally; however, he is logically talking about another God, an obviously false God, because the real God is the God of the poor, Father Ernesto Cardenal reiterated.

He added that the church's role is to carry out the revolution; that is its goal. It must contribute to the kingdom of God on earth; this leads to a just and perfect society that is full of love, in other words, the revolution.

Cardenal defined hinself as a Marxist Christian who was guided to serve in the ranks of the Nicaraguan revolution by his intense religious life and worship of the church. He added that one can be a Christian and Marxist at the same time without denying God's existence or life after death.

BRIEFS

CZECHOSLOVAKIA CREDITS -- (Vlastimil Kalecki), charge d'affairs of the Czechoslovak Embassy in Nicaragua, has reported that the credits granted to Nicaragua by the Czechoslovak Government and people during 6 years of bilateral relations amount to more than $100 million. These credits include the installation of a complete footwear-manufacturing plant, the delivery of more than 500 trucks and tractors and textile-processing machinery, and counseling on various branches of the economy and services. [Summary] [Managua Radio Sandino in Spanish 1930 GMT 23 Jul 86 PA]

INFECTIOUS DISEASES -- The Nicaraguan Health Ministry issued a warning to the Nicaraguan people about the increased occurrence of infectious and contagious diseases, such as diarrhea, meningitis, measles, dengue, malaria, German measles, and rabies. [Summary] [Managua Radio Sandino in Spanish 1750 GMT 12 Jul 86 PA]

CIVIL DEFENSE IN SCHOOLS -- Civil defense will be taught in Nicaraguan schools as a subject as of next semester, Deputy Education Minister Julian Corrales has announced. During the past 50 years Nicaragua has suffered many natural disasters, and a knowledge of civil defense could save many lives. Furthermore, at present there is a growing threat of a U.S. invasion and students especially should be prepared for any emergency, Corrales said. Civil Defense will be taught to approximately 720,000 students, excluding only first and second level pre-schoolers. [Summary] [Managua EL NUEVO DIARIO in Spanish 23 Jul 86 pp 1, 8 PA]

HAVANA RADIO VIEWS REAGAN'S MIAMI SPEECH

PA260034 Havana International Service in Spanish 0000 GMT 25 Jul 86

["Note" read by Maruja Garcia]

[Text] In a speech in Miami on Wednesday, U.S. President Ronald Reagan returned to the topic of the right he claims his government has to decide the fates of independent nations. In many public appearances Reagan has shown that his knowledge of geography leaves a lot to be desired. He has confused countries and governments as would an ignorant person. Maybe that is why, amid an incoherent jumble of concepts, he said the U.S. people will provide the means to the people of North America to protect themselves against any aggression.

Earlier, Reagan had quite demagogically remarked that the United States will not tolerate any dictatorship that supplies weapons to its followers to steer any country away from the Western Hemisphere. Later,, the President commented on the right of all Americans from Alaska to Tierra del Fuego to live in liberty. As is his custom, he threatened Cuba and Nicaragua, saying that if the Sandinists dare to one day cross the Texas border, they will be driven back to Havana. Since the President feels the United States is a continent, he lashes out at everyone and adds that liberty is on the offensive, a clear reference in favor of the Nicaraguan counterrevolutionaries.

Despite his geographical confusion and his unfounded fears that the United States will suffer an alleged a attack from Nicaragua, the President uses the concept of freedom to present himself as n example of a dignified ruler. One would have to ask, what is the sort of freedom that the U.S. President is seeking to impose on the Latin American nations? Perhaps the freedom of the 20 million drug addicts roaming U.S. streets, which are also filled with beggars and jobless people. Countries like Cuba and Nicaragua rid themselves of such blights long ago. Likewise, these countries lack any desire to stage invasions, and their rulers defend the legitimate rights of their peoples with more knowledge and courage.

POLITBURO'S MIRET URGES RECOVERY OF SPARE PARTS

FL230215 Havana Radio Rebelde Network in Spanish 2300 GMT 22 Jul 86

[Text] Politburo member Pedro Miret has called on workers to manufacture spare parts that are really necessary and pay more attention to recovery activities and improvement of quality. At a National Commission of Spare Parts meeting it was noted that during this year's first 6 months, over 250 million pesos were spent on manufacturing and recovering spare parts. Pinar Del Rio, Cienfuegos, and Santiago de Cuba were the provinces with the poorest performance together with the areas of iron and steel, fishery, foodstuff, construction, and foreign trade.

Only 7 percent of new production was fulfilled, which is the area presenting more delays.

TURKS AND CAICOS ISLANDS

CANA REPORTS REACTION TO GOVERNMENT COLLAPSE

FL252009 Bridgetown CANA in English 1944 GMT 25 Jul 86

[Text] Grand Turk, Turks and Caicos Islands, July 25, CANA -- Life was normal in the Turks and Caicos Islands today following yesterday's announcement that Britain had dismissed the colony's government.

It is business as usual, said Hyacinth Been beside her cake stall.

Many people declined to comment to CANA on the British decision which followed the publication of a report on corruption, but those who did expressed approval.

They have done the right thing. This whole place needed to be straightened out, retired politican Walter Selver said.

I am glad it's happened was the comment of Ivial Skipping. These islands have been going down the drain and it was quite time that something was done to stop them.

Ousted Chief Minister Nathaniel Francis and opposition leader Clement Howell appealed for calm following suggestions that there could be violence.

The British Commission of Inquiry found Francis and two other ministers guilty of unconstitutional behaviour and ministerial malpractices and found them unfit to carry out their duties.

Governor Christoper Turner is empowered to create a new executive council to replace the Francis government, and to appoint four people to replace the dismissed ministers.

He told reporters he should name the local officials by next week. The advisory council will be completed by four senior British foreign office officials.

Asked he was aware of the alleged corruption, Turner said: I would teil ministers that this sort of thing was wrong but taking action on it was something else.

Francis, 74, who became head of government in March 1985, gave specifics for the first time today for his forced resignation.

He said it stemmed from the reports findings on the burning of a government building last New Year's Eve, and evidence of attempts to overthrow the island administration.

He said the report censured him for not having acted more promptly on tapes delivered to his office which told of plans to burn down offices and houses and bring down the government.

I should have given more importance to the tapes, Francis admitted.

But he added that he had given them to education minister Robin Hall to hand over to police, who had them prior to the fire.

Also dismissed with Francis were Hall and works minister Alden Durham. Cited as unfit for public office were the deputy leader of the Opposition People's Democratic Movement (PDM) Oseald Skippings and a colleague, Lewis Astwood.

British officials have also cited drugs corruption and Turner said he believed the country could be saved from drugs.

U.S. drug agents have said the islands are used as a staging point for drug smugglers heading from Latin America to the United States.

Some 125 bales of marijuana, each about 50-60 pounds, said to be worth U.S. 10 million dollars, are now at police headquarters awaiting destruction.

Almost all of it was taken from a Colombian vessel that landed in distress within the last two months on a remote island in the archipelago.

Francis Blames Britain, U.S.

FL250110 Bridgetown CANA in English 2348 GMT 24 Jul 86

[Text] Grand Turk, Turks and Caicos Islands, July 24, CANA -- Turks and Caicos Islands Chief Minister Nathaniel Francis says Britain arranged today's collapse of his government to appease the United States.

In an interview with Cana's radio service, Francis referred to the March 1985 eight-year jailing in the United States of Norman Saunders on drug charges.

I think England arranged this thing (today's collapse) to appease the American government with respect to the affairs of April or March of 1985, he said.

Francis and three cabinet ministers were forced to resign after publication of a British government-ordered probe into official corruption in this British self-governing colony.

The Louis Blom-Cooper report found 74-year-old Francis, his deputy Robert Hall and works minister Alden Durham guilty of unconstitutional behaviour and ministerial malpractices and deemed them unfit to carry out ministerial responsibilities. The third minister, Emmanuel Missick, was appointed in May, a month after the commission sat.

I know that the British had their knife, so to speak, at us from the March arrest of 1985 and that they were not going to rest until they uprooted and toppled the government, Francis said.

I am fully convinced that even what we see here in the pages, in the report, was not sufficient, in my opinion, for them to topple the government.

He added: I seriously believe that whatever was the evidence of the witnesses, It would have had no effect on the inquiry because it was a deliberate act to do what they did do and nothing that I might have said or did say or anybody would have said would have changed what happened.

Officials here have not given details of the charges made against Francis, but he said he had been accused of taking no action against demands for kickbacks in his administration.